

CITY OF ESCONDIDO

Planning Commission and Staff Seating



- A. **CALL TO ORDER:** 7 p.m.
- B. **FLAG SALUTE**
- C. **ROLL CALL:**
- D. **MINUTES:** [06/08/21](#)

The Brown Act provides an opportunity for members of the public to directly address the Planning Commission on any item of interest to the public before or during the Planning Commission's consideration of the item. If you wish to speak regarding an agenda item, please fill out a speaker's slip and give it to the minutes clerk who will forward it to the chairman.

Electronic Media: Electronic media that members of the public want to be used during any public comment period should be submitted to the Planning Division at least 24 hours prior to the meeting.

The electronic media will be subject to a virus scan and must be compatible with the City's existing system. The media must be labeled with the applicable agenda item and the name and contact information of the person presenting the media.

The time used to present any electronic media will be considered as part of the maximum time limit provided to speakers. City staff will queue the electronic information when the applicable speaker is called upon to speak. Materials shown to the Commission during the meeting are part of the public record and will be retained by the City.

The City of Escondido is not responsible for the content of any material presented, and the presentation and content of electronic media shall be subject to the same protocol regarding decorum and presentation as are applicable to live presentations.

If you wish to speak concerning an item not on the agenda, you may do so during the designated time for "Oral Communications." All persons addressing the Planning Commission are asked to state their names for the public record.

Availability of supplemental materials after agenda posting: Any supplemental writings or documents provided to the Planning Commission regarding any item on this agenda will be made available for public inspection in the Planning Division located at 201 N. Broadway during normal business hours, or in the Council Chambers while the meeting is in session.

The City of Escondido recognizes its obligation to provide equal access to public services for individuals with disabilities. Please contact the ADA Coordinator at 760-839-4643 with any requests for reasonable accommodation at least 24 hours prior to the meeting.

**The Planning Division is the coordinating division for the Planning Commission.
For information, call 760-839-4671.**

E. WRITTEN COMMUNICATIONS:

Under state law, all items under Written Communications can have no action, and will be referred to the staff for administrative action or scheduled on a subsequent agenda.

1. Future Neighborhood Meetings

F. ORAL COMMUNICATIONS:

Under state law, all items under Oral Communications can have no action, and may be referred to the staff for administrative action or scheduled on a subsequent agenda.

This is the opportunity for members of the public to address the Commission on any item of business within the jurisdiction of the Commission.

G. PUBLIC HEARINGS:

Please try to limit your testimony to three minutes.

**1. PROPOSITION S CONSTRAINT ANALYSIS AND HOTEL CONVERSION ORDINANCE
PLANNING CASE NO. PL 21-0228:**

REQUEST: Receive and file the Proposition S constraint analysis and amend the Zoning Code so that existing hotels and motels in all zoning districts as well as those located in specific plans may be converted to supportive housing, transitional housing, single-room occupancy, multi-family housing, or a combination thereof. The Project requires an amendment to Article 1 (General Provisions and Definitions) and Article 63 (Transient Lodging) of the Zoning Code to establish the regulations to authorize hotel or motel conversions.

PROPERTY SIZE AND LOCATION: CityWide

ENVIRONMENTAL STATUS: The Project is categorically exempt from further environmental review pursuant to California Environmental Quality Act ("CEQA") Guidelines section 15301 (Existing Facilities).

APPLICANT: City of Escondido

STAFF RECOMMENDATION: Approval to City Council

COMMISSION ACTION:

PROJECTED COUNCIL HEARING DATE: July 14, 2021

2. DOWNTOWN SPECIFIC PLAN AMENDMENT – PLANNING CASE NO. PL 21-0227:

REQUEST: A proposed amendment to the Downtown Specific Plan to change zoning regulations to require ground-floor commercial uses only at key locations or preference areas based on context or planning objectives rather than as a blanket requirement to ensure future projects are feasible and the desired community character is preserved. The project consists of a map amendment to Figure II-4 of the Downtown Specific Plan to eliminate the ground-floor retail requirement in areas where standalone residential uses would not be detrimental to the surrounding commercial districts and goals of the Downtown Specific Plan. The proposal also includes a request to adopt an Addendum to the previously certified Final EIR for 2012 General Plan Update, Downtown Specific Plan Update, and Climate Action Plan (“Final EIR”).

PROPERTY SIZE AND LOCATION: CityWide

ENVIRONMENTAL STATUS: An Addendum to the Final EIR was prepared to meet the requirements of the California Environmental Quality Act (Public Resources Code section 21000 et seq.) (“CEQA”), the regulations promulgated thereunder (14 California Code of Regulations section 15000 et seq.) (“CEQA Guidelines”), and the City’s Environmental Review Guidelines (Article 47 of the Escondido Zoning Code). The Addendum is appropriate pursuant to CEQA Guidelines section 15164 because only minor changes and additions to the Final EIR are necessary to address the Project changes and no circumstances exist calling for the preparation of a subsequent or supplemental EIR pursuant to CEQA Guidelines sections 15162 and 15163.

APPLICANT: City of Escondido

STAFF RECOMMENDATION: Approval to City Council

COMMISSION ACTION:

PROJECTED COUNCIL HEARING DATE: August 11, 2021

H. CURRENT BUSINESS:

Note: Current Business items are those that under state law and local ordinances do not require either public notice or public hearings. Public comments will be limited to a maximum time of three minutes per person.

1. Housing and Community Investment Study (HCIS)

Staff will provide an informational report and status update to the Commission.

I. ORAL COMMUNICATIONS:

Under state law, all items under Oral Communications can have no action and may be referred to staff for administrative action or scheduled on a subsequent agenda.

This is the opportunity for members of the public to address the Commission on any item of business within the jurisdiction of the Commission.

J. PLANNING COMMISSIONERS

K. DIRECTOR'S REPORT: Closed, no discussion.

L. ADJOURNMENT

CITY OF ESCONDIDO

**ACTION MINUTES OF THE REGULAR MEETING OF THE
ESCONDIDO PLANNING COMMISSION**

June 8, 2021

The meeting of the Escondido Planning Commission was called to order at 7 p.m. by Chair Barba, in the City Council Chambers, 201 North Broadway, Escondido, California.

Commissioners present: Katharine Barba, Chair; Dao Doan, Commissioner; Rick Paul, Commissioner; Herminia Ramirez, Commissioner; Nathan Serrato, Commissioner; and Stan Weiler, Commissioner.

Commissioners absent: Ingrid Rainey, Vice-Chair.

Staff present: Mike Strong, Director of Community Development; Kurt Whitman, Senior Deputy City Attorney; Adam Finestone, City Planner; Karen Youel, Housing and Neighborhood Services Manager; Owen Tunnell, Assistant City Engineer; Jessica Engel, Administrative Coordinator; and Joanne Tasher, Minutes Clerk.

MINUTES:

Moved by Commissioner Weiler, seconded by Commissioner Paul, to approve the Action Minutes of the May 25, 2021, Planning Commission meeting. Motion carried unanimously (6-0). Ayes: Barba, Doan, Paul, Ramirez, Serrato, and Weiler. Rainey was absent.

WRITTEN COMMUNICATIONS: None.

FUTURE NEIGHBORHOOD MEETINGS: None.

ORAL COMMUNICATIONS: None.

PUBLIC HEARINGS: None.

CURRENT BUSINESS:

1. CIP General Plan Consistency Analysis

Staff provided a brief report and asked the Commission to decide whether the Fiscal Years 2021/22 to 2024/25 CIP Program and Budget is in conformance with the City of Escondido General Plan.

Staff Recommendation: Approval to City Council

COMMISSIONER DISCUSSION:

Commissioner Paul did not consider certain items such as Graffiti removal and maintenance as capital improvement expenditures.

COMMISSION ACTION:

Motion by Chair Barba and seconded by Commissioner Weiler to determine that the Fiscal Years 2021/22 to 2024/25 CIP Program and Budget is in conformance with the City of Escondido General Plan. Motion carried 6-0. Ayes: Barba, Doan, Paul, Ramirez, Serrato and Weiler. Rainey was absent.

2. Housing and Community Investment Study (HCIS)

Staff provided an informational report and status update to the Commission on the Sector Feasibility Study.

COMMISSION DISCUSSION:

Commissioners had a brief discussion.

COMMISSION ACTION:

No action was taken; information was presented and discussed.

3. Discussion on the scope of a “Green Infrastructure Plan”

Chair Barba provided a presentation of a Green Infrastructure Plan.

COMMISSION DISCUSSION:

Commissioner Weiler stated his opinion that much of the substance that would be contained in the Green Infrastructure Plan is already being addressed through existing federal, state and local laws and requirements.

Commissioners discussed the potential formation of a subcommittee to further research and prepare information related to the Green Infrastructure Plan. Pursuant to the Bylaws, a subcommittee of no less than two, and no more than three, Commissioners could meet informally to gather the necessary data to present the Green Infrastructure Plan to the City Council as part of the Planning Commission Work Plan.

The Commissioners recognized that the subcommittee’s ongoing work would be contingent on City Council’s approval of the Green Infrastructure Plan as part of the Work Plan and that staff resources to support the subcommittee should be limited pending City Council’s approval.

COMMISSION ACTION:

Pursuant to the Commission’s Bylaws, Chair Barba appointed a subcommittee to further research and prepare information related to the Green Infrastructure Plan. The subcommittee will consist of Chair Barba, Commissioner Ramirez, and Commissioner Serrato.

ORAL COMMUNICATIONS: None.

PLANNING COMMISSIONERS: None.

ADJOURNMENT:

Chair Barba adjourned the meeting at 8:10 p.m.

Mike Strong, Secretary to the
Escondido Planning Commission

Joanne Tasher, Minutes Clerk

DRAFT

PLANNING COMMISSION

Agenda Item No.: G.1
Date: June 22, 2021

PROJECT NUMBER / NAME: PL 21-0228 / Proposition S Constraint Analysis and Hotel Conversion Ordinance

REQUEST: Receive and file the Proposition S constraint analysis and amend the Zoning Code so that existing hotels and motels in all zoning districts as well as those located in specific plans may be converted to supportive housing, transitional housing, single-room occupancy, multi-family housing, or a combination thereof.

LOCATION: CityWide

APPLICANT: City of Escondido

APN / APNS: N/A

PRIMARY REPRESENTATIVE:
Planning Division

GENERAL PLAN / ZONING: N/A

DISCRETIONARY ACTIONS REQUESTED: Zoning Code Amendment

PREVIOUS ACTIONS: N/A

PROJECT PLANNER: Mike Strong, Director of Community Development
mstrong@escondido.org

CEQA RECOMMENDATION: Approve the Categorical Exemption pursuant to CEQA Guidelines section 15301 (Existing Facilities)

STAFF RECOMMENDATION: Provide a recommendation to City Council to approve the Zoning Code Amendment.

REQUESTED ACTION: Approve Planning Commission Resolution No. 2021-05

CITY COUNCIL HEARING REQUIRED: YES NO

REPORT APPROVALS:

Mike Strong, Community Development Director
 Adam Finestone, City Planner

A. BACKGROUND:

Proposition S was adopted by voters in 1998 and requires voter approval of specified future changes to the Escondido General Plan. General Plan changes subject to Proposition S include increasing residential densities, changing or increasing the residential land use categories, or changing any residential designation to a commercial or industrial designation on any property designated as Rural, Estate, Suburban, or Urban. Thus, voter approval is required for amendments that would increase residential densities, but also deters the loss of residential land when associated with an amendment to commercial or industrial. The intent of Proposition S is to focus on existing residential zones, rather than rezones from non-residential to residential. As such, a rezone from a non-residential zone to a residential zone does not trigger Proposition S. Proposition S does not act as a cap on the number of housing units constructed or permits that can be approved either annually or for some other time period. Proposition S also does not limit the population of the City.

Government Code section 65583 requires that a local government's Housing Element be updated to include the identification of sites with appropriate zoning, development standards, services, and facilities to accommodate the jurisdiction's RHNA for each income level and to assist in the development of adequate housing to meet the needs of lower- and moderate-income households. Among other things, as part of the Housing Element Update process, cities and counties need to analyze current market conditions and prepare a housing needs assessment and constraints analysis. The analysis of constraints includes an evaluation of land use controls, fees and exactions, permits and processing procedures, and related impacts on housing development. The purpose of the constraints analysis is to identify nongovernmental and governmental factors that inhibit the development, maintenance, or improvement of housing. A thorough understanding of the constraints to development can help to create appropriate policy responses to mitigate constraints and make it easier and more affordable to develop housing. In addition to removing actual or potential constraints to housing development, cities and counties need to analyze different policy approaches that continue to support housing production, which may start within the framework already established in adopted policy documents.

Land use controls provided in the Escondido General Plan and the Zoning Code influence housing production in the City in several ways. The permitted and conditionally permitted uses in each zoning district guide new development and provide both developers and the public with an understanding of how vacant land will develop in the future. This includes the density of development that will occur within a particular land use designation or zoning district. In recent years, there have been considerable discussions throughout the state of California regarding the housing shortage, which is associated with rising housing costs and lack of affordable housing options. The rising housing costs and lack of affordable housing options have led to a rise in homelessness in the region, including within Escondido. Many cities, like Escondido, are attempting to increase housing production. In some cases, it is challenging because exclusionary zoning prevents broader housing production.

Because Proposition S does not apply to non-residential lands, this Project consists of a request to amend the Zoning Code so that existing hotels and motels in all zoning districts as well as those located in specific plans may be converted to group homes or quarters, single-room occupancy units, or multi-family housing units, which could facilitate occupancy for supportive housing, transitional housing, or restricted dwelling units to be sold or rented to lower income households or target populations like seniors or individuals with disabilities. The conversion of existing transient lodging buildings and other structures allows for the potential creation of new housing through adaptive reuse of existing buildings and structures. To qualify, a proposed housing development would have to comply with applicable, objective General Plan, zoning, and subdivision standards.

B. SUMMARY OF REQUEST:

This Agenda Report recommends the adoption of new regulations to allow the re-use of existing transient lodging buildings or structures for supportive housing, transitional housing, single-room occupancy, multi-family housing, or a combination thereof. The proposed ordinance creates an application process under the Planning Division and establishes new requirements for all types of potential hotel and motel conversion projects. The goals of the proposed ordinance include to promote creative and cost-effective strategies to expand housing solutions for persons experiencing homelessness and to bridge housing accommodation to target populations. If adopted, the ordinance would streamline the approval process so existing hotels and motels in all zoning districts, as well as those located within specific plan areas, may be converted.

C. SUPPLEMENTAL DETAILS OF REQUEST:

Understanding the existing housing market and business climate and its future potential is essential in overcoming barriers that exist for new investors and housing developers. The rising housing costs and lack of affordable housing options in San Diego County have led to a rise in homelessness in the region, including within Escondido. People experiencing homelessness are more likely to successfully transition to permanent housing when provided with easily accessible support services such as health, substance abuse, education, job training, and case management, in addition to affordable housing. The conversion of existing hotels and motels to affordable housing requires substantially less time and cost than new development of affordable housing. The conversion of existing hotels and motels to affordable housing allows for the creation of new housing through adaptive reuse of existing buildings, thereby substantially accommodating new growth while maintaining the existing scale and character of neighborhoods.

1. Proposition S Constraint Analysis:

The Planning and Zoning Law (Government Code section 65000 et seq.) requires every city and county to adopt a General Plan that sets out planned uses for all of the area covered by the plan, and requires the General Plan to include mandatory elements, including the Housing Element. The Planning and Zoning Law requires major land use

decisions by cities and counties, such as development permitting and subdivisions of land, to be consistent with their General Plans.

The Housing Element portion of a General Plan serves as a strategy to help cities prepare for the maintenance, improvement, and development of housing. One of the most significant requirements is often called a “fair-share” law, with the term generally referring to a regional process by which each local community works together to accommodate a fair proportion of future housing needs. Another important purpose of preparing and updating the Housing Element is the requirement that cities and counties must identify existing constraints to housing production, such as adding to the cost of development, and including program responses or actions to mitigate the effects of such constraints. By reviewing local conditions and regulations that may impact the housing market, cities and counties can determine if each potential constraint poses as an actual constraint.

The City initiated a comprehensive General Plan update in 2008 to address land use distribution, preservation of neighborhoods, and identification of appropriate growth centers within the City. The updated General Plan was approved by the City Council on May 23, 2012. Portions of the updated General Plan were placed on the November 2012 ballot and approved by Escondido residents. The General Plan update preserved most existing land use policies in much of the City’s residential neighborhoods, while also providing opportunities for employment and residential intensification. The approval of the General Plan update by the voters increased the City’s capacity for residential growth over the long term. Recognizing Proposition S as a potential constraint, the 2012 Housing Element included a program to monitor the potential impacts of Proposition S on housing development. The same monitoring program is included in the draft 2021-2029 Housing Element. In preparing the draft 2021-2029 Housing Element (which as of this writing, is available for public review) the City examined the residential development capacity under the existing General Plan, zoning, and specific plans, and has demonstrated adequate capacity to accommodate the City’s RHNA for the Sixth Housing Element planning cycle.

In response to this housing crisis, the state legislature has adopted a series of housing-related bills over recent years to increase housing production. These changes limit the ability of cities and counties to fully implement growth management control measures. One of the laws passed by the California Legislature was the Residential Density and Affordability Act of 2017 (SB 166), which amended the Housing Element law to require the city to ensure that its Housing Element is capable of accommodating the remaining RHNA at all times (Government Code section 65863(a)). Another law passed by the California Legislature was the Housing Crisis Act of 2019 (SB 330), which added Section 66300 to the Government Code and suspends, until 2025, certain restrictions on development of new housing. Among other things, the Legislature, under Government Code section 66300(b)(1)(D), suspended the ability of cities to establish or implement any provision that:

- Limits the number of land use approvals or permits necessary for the approval and construction of housing that will be issued or allocated within all or a portion of the affected city,
- Acts as a cap on the number of housing units that can be approved or constructed either annually or for some other time period, or
- Limits the population of the affected city.

California's on-going housing shortage has underlined the need for local jurisdictions to revisit their regulatory frameworks governing housing production. In Escondido, the discussion has been particularly dynamic, as the community and policymakers have wrestled with a variety of local, regional, and state factors that contribute to housing production, affordability, and equity. From time to time, the City has made changes to rules and regulations related to housing in response to these factors. A good example of that is the Downtown Density Transfer Program, adopted by Resolution 2019-69, which allows the City to transfer residential density from undeveloped or underutilized properties (sending areas) to developing properties (receiving areas) within the Downtown Specific Plan.

City officials must implement local voter initiatives; however, they are also bound to comply with applicable state housing laws. If a local voter-approved measure conflicts with state Housing Element Law (Government Code sections 65550 – 65589.11), either at the time of the measure's adoption or as a result of newly adopted state housing laws, the local government must recognize the conflict and take appropriate action. In the short term, Proposition S does not present a constraint to housing development in the City and does not conflict with state Housing Element Law. As mentioned earlier in this Agenda Report, the intent of Proposition S is to focus on current residential zones, rather than rezones from non-residential to residential. A rezone from a non-residential zone to a residential zone does not trigger Proposition S. Proposition S does not act as a cap on the number of housing units constructed or permits that can be approved either annually or for some other time period. It also does not limit the population of the city. Rather, Escondido's growth management strategy has fluctuated naturally over time based on a multitude of internal and external factors that influence how the City's priorities are identified and addressed. The overarching strategy is implemented through the Land Use and Housing Element portions of the General Plan, which describes the build-out characteristics of the City and the maximum parameters for future development; and the Zoning Ordinance and implementing Zoning Map, which provides more detailed development standards and project requirements. These policies and standards are intended to guide land use patterns and distribution. Over time, as properties absorb new growth based on market demand, the overall zoned capacity for new land use development projects has gradually tightened. This is largely due to a reduction in development potential. Still, Escondido has historically met or exceeded its land inventory requirements as assigned through planning cycles of RHNA numbers. That is, the City's residential lands inventory prepared for each Housing Element planning cycle has provided more than enough suitable lands to accommodate the City's housing need for all income categories.

2. Hotel and Motel Conversion Ordinance

Over the past few years, California has been experiencing a housing supply crisis with housing demand outstripping housing supply. According to an October 2016 report by the McKinsey Global Institute, “A Tool Kit to Close California’s Housing Gap: 3.5 Million Homes by 2025,” California ranked 49th out of 50 states in housing units per capita.

Consequently, existing housing in the state has become very expensive. Seven out of the ten most expensive real estate markets in the United States are in California. Because there is so much need for homes to be built at prices below current market rates, there has been a marked interest in understanding how to transform the public sector to deliver better public service and to bring new ideas forward for implementation that meet the growing needs of different household populations. One of the ways that cities and counties are improving their land use efficiencies during the housing supply crisis is to provide new development opportunities in areas where none currently exist. One way to encourage more multi-family housing development is to ensure the financial viability of converting existing hotels and motels to group homes or quarters, single-room occupancy, or multi-family housing. With hotels and motels experiencing devastatingly low occupancy levels in 2020 and 2021 as a result of the COVID-19 pandemic, industry experts are predicting an uncertain or grim future for their continued operations post-pandemic. Amending the Zoning Code to support conversions of hotels and motels to housing would provide more market-based choices for the current property owner and could be a really effective way to get housing online quickly for vulnerable populations.

In addition to authorizing hotel and motel conversions, this Project also establishes regulations to facilitate the use of existing hotels and motels for housing with objective site and building design standards. Some of the highlights of the draft ordinance are summarized below. The draft ordinance, which is provided as Exhibit “B” to draft Resolution No. 2021-05, also includes regulatory incentives to encourage conversion to supportive housing, transitional housing, and affordable housing. (Depending on the zoning district in which an existing hotel or motel is located, a General Plan Amendment or rezoning might be needed to be processed by the applicant to ensure the land use development request complies with applicable, objective General Plan and zoning standards.)

- Kitchen facilities: The draft ordinance includes provisions to allow the modification of guest rooms to install small cooking facilities. In some cases, the units may either be too small to accommodate the facilities, or there would be additional Building Code and Fire Code barriers that would make this modification infeasible. These properties may be better suited as single-room occupancy units, which does not necessarily require individual kitchens because meals may be prepared in a central kitchen or otherwise arranged by the service provider. For these reasons, the draft ordinance does not require provisions for cooking facilities in each unit.

- **Parking:** The number of off-street parking spaces required in connection with any particular land use shall be no fewer than the amount set forth by Article 39 of the Escondido Zoning Code. Bachelor and studio units require one parking space per unit and one bedroom units require 1.5 parking spaces per unit. Guest parking is required at a rate of one space for each four units. However, to encourage hotel or motel conversion to group quarters, single-room occupancy units, or multi-family housing units, the draft ordinance recommends reducing the amount of parking required. Parking restrictions and their ensuing construction costs would make hotel or motel conversions infeasible or difficult to finance. The draft ordinance recommends not more than 0.5 parking spaces required per income-restricted unit, irrespective of the number of habitable rooms for each unit. Furthermore, the requirement to provide guest parking would be waived for income-restricted dwelling units. Market-rate dwelling units would need to comply with the parking requirements as specified in the Zoning Code for multi-family housing development.
- **Open space:** A minimum of 50 square feet per each unit would be required for each SRO unit, rather than the 300 square feet of open space that is required by the Downtown Specific Plan or the 200 square feet of open space required for one-bedroom, multi-family housing by the Zoning Code (Article 6).
- **Regulatory incentives:** The draft ordinance allows for expedited processing of Building plans and permits. Projects providing affordable housing, including affordable housing for seniors, will receive expedited processing as currently available.
- **Operational requirements:** Supportive services are an essential component of supportive housing and transitional housing, and are the key to these housing solutions working effectively to assist those experiencing homelessness in maintaining housing stability. However, the draft ordinance does not address the operational aspects of certain structures. There are complicated legal issues around policies that determine the types of households that may occupy housing, including state and federal fair housing laws. With respect to supportive housing services, the public agencies that are providing funding for support services are the most appropriate entities to evaluate the types of supportive services offered to residents or determine if the project should be customized with the needs of the tenants in mind.

Once adopted, no application to construct a new dwelling unit shall be accepted for processing or approved, unless the proposed land use development application is in conformance with the new land use policies. The provisions of the ordinance would only apply to all dwelling units proposed to be constructed, whether by new construction or rehabilitation, after the adoption of the ordinance, unless specifically exempted. The

draft ordinance presented to the City Council will also include a provision that the ordinance would not apply to land use development applications for which (1) a request for a development permit was filed with and accepted by the Community Development Department, and deemed complete pursuant to Government Code section 65943, prior to adoption of the ordinance, or (2) a preliminary application for a housing development project meeting the criteria of Government Code section 65941.1 was submitted prior to adoption of the ordinance.

D. PROJECT ANALYSIS:

1. General Plan Conformance:

a) Land use and density consistency

How land uses are arranged in a community helps establish a community's identity and character, and many agencies are finding that housing is an essential element in revitalizing downtown districts. A healthy residential component to a downtown area generates customers for commercial uses, and a constant flow of foot traffic supports nearby retailers, services, entertainment, and other businesses that are part of a desirable downtown economy. By incorporating a higher density of residents in the downtown mix, the amount of activity increases, which in turn creates even more vibrancy. By offering investors and affordable housing developers a tool to increase density in areas that are prime for development and supported by existing infrastructure, the City would be supporting smart growth principles. The Zoning Code amendment could help accommodate the City's share of future regional housing needs with a greater mix of housing types and choices, in smart growth locations rather than sprawl, which benefits the City as a whole. Hotels and motels present a unique opportunity to utilize existing structures to respond to immediate housing needs. These buildings are structurally similar to residential buildings, and have the potential to be quickly adapted to provide housing through publicly funded programs.

Many hotels and motels in Escondido are located in commercial areas, and depending on location, the General Plan land use designation or Zoning Map may reference "commercial only" areas, which would thereby restrict residential use of property. Any existing buildings that are not in conformance with the current General Plan or Zoning Map designations (e.g., for residential density) would need to obtain additional planning entitlements.

In general, the goals identified in the Land Use and Community Form Element of the General Plan help foster Escondido's role as the vibrant and dynamic cultural, economic, and recreational hub of inland North San Diego County. The Land Use Element goals and policies that staff believes pertain to the Project are provided in Attachment 1 and may be utilized to assist in determining General Plan consistency.

There may be different goals and policies that apply; the list need not include all the applicable policies for the Planning Commission to find conformance.

b) Housing Element

In terms of demonstrating consistency with the Housing Element of the General Plan, residential growth requires expanding the existing housing stock by encouraging and securing multi-family housing development. Unlocking housing development opportunities on sites improved as hotels or motels would likely increase access to affordable housing to those vulnerable populations that need it the most. Access to affordable housing improves community members' ability to improve their economic status, reduces poverty and homelessness, and promotes social integration. A strong and affordable housing environment is critical to meeting the goals and policies of the Housing Element (please refer to Attachment 1 for General Plan consistency analysis).

2. Zoning or Specific Plan Conformance:

The purpose of the Zoning Code amendment is to implement various policies within the General Plan that encourage dwelling unit construction or housing accommodation for vulnerable populations. The proposed ordinance was drafted to address many of the common barriers that a property may face when undergoing a conversion to supportive or transitional housing. When converting to supportive housing, transitional housing, single-room occupancy, multi-family housing, or a combination thereof, the project would need to conform both to building codes and underlying zoning. Every building is given an occupancy classification when it is originally built. Transient lodging uses, such as hotels and motels, are typically classified under the building code as an R1 occupancy group, for transient residential uses (occupied for periods of 30 days or less). When being converted to a non-transient residential use such as supportive housing and transitional housing, the building rating undergoes a change in use to the building code's R2 occupancy group classification. That means that a change in occupancy may be required by the Building Division even if there are no plans to make any changes to the building. Often, due to their age, hotels and motels are not in conformance with current zoning or building code regulations. When allowing for adaptive re-use of existing, aging properties, it is important to allow for a certain degree of flexibility in physical requirements. In recognition that each property is unique, the proposed ordinance was drafted to incorporate flexibility wherever possible, while ensuring that a set of minimum requirements are met. However, requiring a discretionary review process prior to approval of conversions of hotels and motels to affordable housing allows for public participation and an opportunity to provide flexibility from development standards, while otherwise complying with procedural or environmental review requirements and ensuring project-specific conditions of approval to reduce potential impacts to residents and businesses within the vicinity of the conversion project. By ensuring the hotel or motel conversion project meets zoning and building code standards of safety, the permit review process acts

as a system of checks and balances to result in a safer project and reduce the risk of fire, structural collapse, and other issues that might result in costly repairs, injuries, or death.

3. Climate Action Plan Consistency:

The Zoning Code Amendment would not, in and of itself, result in impacts to air quality or greenhouse gas emissions. This Zoning Code amendment proposes a variety of changes to the zoning districts, all to encourage housing production or accommodation. All future development would require project-specific environmental evaluation in order to determine that any potential impacts are less than significant, including adherence to the City's Climate Action Plan Consistency Checklist. At such time that a development proposal is considered, that project would be subject to adopted development guidelines/standards and any impacts identified with the development project would be addressed, specific to the impact. However, hotels and motels present a unique opportunity to utilize existing structures to respond to immediate housing needs. These buildings are structurally similar to residential buildings, and have the potential to be quickly adapted to provide interim housing through publicly funded programs. Therefore, it is anticipated that implementing projects would not exceed the screening threshold and would therefore be exempt from the Climate Action Plan Consistency Checklist.

E. FISCAL ANALYSIS:

In analyzing for potential fiscal impacts of hotel and motel conversions, the Finance Department provided information on the total number of motels and motel rooms in the City; and the transient occupancy tax revenue by business for the previous five fiscal years. The receipt amounts reported show \$1,597,650 in FY2016/17, \$1,682,956 in FY2017/18, \$1,774,663 in FY2018/19, \$1,774,268 in FY2019/20, \$1,833,977 in FY2020/21. This revenue was generated from 16 hotels/motels that remitted transient occupancy tax payment to the City during the last five years. However, it is important to note that Springhill Suites opened May 2019 (and only remitted payment thereafter); and the Palm Tree Lodge shuttered in 2018 and the City America's Best Value converted to a residential care facility on June 4, 2021. The Finance Department won't have the total of transient occupancy tax receipts for FY2020/21 until the first week of August (receipts for the month of June is due July 31). However, the City has collected \$1,246,154 for receipts through March 2021.

It is difficult to assess how many hotels or motels may qualify and be interested in participating in the program, if Hotel Conversion Ordinance is adopted. New land use development applications seeking to convert hotels and motels to group homes or quarters, single-room occupancy, multi-family housing, or a combination thereof, would be subject to a fiscal impact analysis to offset the cost of municipal services associated with new development.

Supportive housing and transitional housing are two types of affordable housing for persons experiencing homelessness and persons at risk of homelessness. The draft ordinance is designed to respond to existing demand for affordable housing, including supportive housing and transitional housing, by serving an existing population located within the City. The draft ordinance will not induce substantial population growth, as any supportive housing or transitional housing developed as a result of the draft ordinance would provide housing for the homeless and target populations that currently exist within the City.

F. ENVIRONMENTAL STATUS:

The California Environmental Quality Act (“CEQA”) Guidelines list classes of projects that have been determined not to have a significant effect on the environment and as a result are exempt from further environmental review under CEQA. The ordinance allows for the conversion of existing hotels and motels to supportive housing, transitional housing, single-room occupancy, multi-family housing, or a combination thereof. As such, the ordinance is categorically exempt from further environmental review pursuant to CEQA Guidelines section 15301 (Existing Facilities). The ordinance constitutes new policies and procedures that would involve negligible or no expansion of an existing use, including small additions to existing structures. Projects would be eligible to make minor physical alterations to the interior of the existing structure, for example by adding kitchenettes to individual units or by converting existing floor area to supportive service and case management areas. Alterations may result in the creation of additional floor area or units, but in an amount not to exceed 10% of the floor area. Any physical alterations of this nature would be authorized to remain at the time that the building reverts to the previous use.

Any individual project utilizing the ordinance, upon its adoption, may be subject to further environmental review. Appropriate CEQA and/or National Environmental Policy Act (NEPA) documents may be prepared after a specific project scope is defined but prior to the City’s approval of the project itself, including review and approval of any related funding agreements/commitments or entitlements.

The CEQA Notice of Exemption prepared for the project (included as Attachment 4 to the Planning Commission Agenda Report) demonstrates that the Zoning Code amendment qualifies for the exemption and does not have a significant effect on the environment. Additionally, none of the exceptions to the categorical exemption identified in CEQA Guidelines section 15300.2 apply, and the City expressly finds there is no unusual circumstance that could result in a potential significant impact to the environment. The proposed ordinance will have no direct or reasonably foreseeable indirect environmental impacts.

G. PUBLIC INPUT:

None.

H. CONCLUSION AND RECOMMENDATION:

Pursuant to Government Code section 65853 and Section 33-1262 of Article 61 of the Escondido Zoning Code (Administration and Enforcement Ordinance), the Planning Commission has the authority and duty to review and consider amendments to the Zoning Code, which requires a Planning Commission recommendation to City Council. No other discretionary permits are requested or required. Staff recommends that the Planning Commission recommend approval of Planning Case No. PL21-0228 based upon the record before it, including the findings and conditions contained in the attached draft Planning Commission Resolution No. 2021-05 (Attachment 3).

ATTACHMENTS:

1. General Plan Consistency
2. Zoning Code Amendment (Strike-Out/Underline Format)
3. Draft Planning Commission Resolution No. 2021-05
4. Notice of Exemption

ATTACHMENT 1

PL 21-0228: Proposition S Constraint Analysis and Hotel Conversion Ordinance General Plan Consistency Analysis

To ensure consistency with the General Plan, a review was done of the existing General Plan for any relevant goals and policies. Goals and policies in the General Plan that are not applicable to the Zoning Code Amendment were not included.

- Community Character Policy 1.3 Focus development into areas where land use changes achieve the community's long-term goals. Facilitate development that is consistent with the build out vision for each area through incentive programs and efficient administrative and discretionary approval processes for plot plans, Planned Developments, Area Plans, Specific Plans, and Zoning Overlays.
- Community Character Policy 1.5 The city should maintain its single-family residential development pattern, except in locations such as the downtown, along major transportation corridors, and around commercial and public activity centers, where higher densities are more appropriate.
- Community Character Policy 1.8 Require development projects to locate and design buildings, construct energy and water efficient infrastructure, reduce greenhouse gas emissions, enhance community livability and economic vitality, and implement other practices contributing to sustainable resources.
- Community Character Policy 1.9 Require that development in downtown, at transit stations, and other key districts accommodate a mix of land uses and configure uses to promote walkability, bicycling, and transit uses, reducing the need for the automobile.
- Land Use Zoning Policy 2.4 Consider locational and operational characteristics of existing and proposed land uses, as well as the surrounding zoning patterns, when establishing zoning and overlay designations to ensure compatibility and appropriateness.
- Residential Development Policy 3.7 No permits shall be approved for the development of any lot which is not consistent with the density restrictions of the General Plan...
- Neighborhood Maintenance & Preservation Policy 4.2 Residential neighborhoods shall be protected from the encroachment of incompatible activities or land uses such as heavy service commercial businesses which may have a negative impact on the residential living environment.

- Neighborhood Maintenance & Preservation Policy 4.2 Residential neighborhoods shall be protected from the encroachment of incompatible activities or land uses such as heavy service commercial businesses which may have a negative impact on the residential living environment.
- Housing Policy 1.1 Expand the stock of all housing while preserving the health, safety, and welfare of residents, and maintaining the fiscal stability of the city.
- Housing Policy 1.3 Channel residential growth to areas where the concurrent provision of services and facilities, including schools, parks, fire and police protection, and street improvements can be assured.
- Housing Policy 1.4 Encourage a compact, efficient urban form that conserves land and other natural and environmental resources, and that promotes transit, supports nearby commercial establishments, and takes advantage of infrastructure improvements installed to accommodate their intended intensities.

In general, the goals identified in the Land Use / Community Form Element foster Escondido's role as an urban center. For example, Community Character Policy 1.3 focuses development into areas where land use changes achieve the community's long-term goals. It also states that the City should facilitate development that is consistent with the build out vision for each area through incentive programs. By targeting housing accommodation incentives in the urban center, the City should be able to maintain its single-family residential development pattern elsewhere, which is desired under Community Character Policy 1.5, Land Use Zoning Policy 3.7, and Neighborhood Maintenance & Preservation Policy 4.2.

The proposed ordinance strives to achieve these objectives by increasing the utilization of its land base and allow residential conversion of existing hotels and motels based on market conditions. Most of the businesses that offer lodging as hotels or motels are located along major commercial corridors, such as Centre City Parkway. Increasing growth in infill areas of the City near public transportation hubs will reduce dependence on the use of private automobiles, reduce vehicle miles traveled ("VMT") per household, reduce the use of fossil fuels, improve energy efficiency, reduce carbon dioxide emissions, and help meet air quality standards. This helps address Community Character Policies 1.8 and 1.9.

The proposed Zoning Code Amendment would meet the intent and purposes of the General Plan Framework Element to encourage the creation of housing opportunities for households of all types and incomes, while at the same time promoting livable neighborhoods. In particular, the proposed ordinance would further the intent and purpose of the following relevant goals, objectives, and policies of the Housing Element: Policy 1.1 to expand the stock of all housing, Policy 1.3 to channel growth into areas where there are services and facilities, and Policy 1.4 to encourage compact, efficient urban form that conserves land. The Zoning Code Amendment seeks to more equitably distribute housing opportunities by type and cost accessible to all residents of the City by creating incentives and reducing regulatory barriers in appropriate locations in order to promote the adaptive re-use of structures for housing and rehabilitation of existing units.

As made evident by the list of General Plan policies above, the proposed ordinance is in conformance with a range of General Plan policies related to the provision of permanent and transitional housing and services for persons experiencing homelessness. The City's General Plan clearly recognizes the need for programs which remove regulatory barriers to allow for the conversion of existing structures to affordable housing for persons experiencing homelessness. The proposed ordinance responds to the General Plan by providing a streamlined approval process to allow existing motels to be converted to short-term and permanent housing that is linked with supportive services in locations throughout the City.

ATTACHMENT 2

PL 21-0228: Proposition S Constraint Analysis and Hotel Conversion Ordinance Zoning Code Amendment (Strikeout Underline Format)

SECTION I.

Modify the following definition in Section 25-75 of Chapter 25 Taxation, Article 4 (Transient Occupancy Tax) of the Escondido Municipal Code

Qualifying rental agreement shall mean and is limited to a written contract signed by both the operator and tenant, legally enforceable by either party, for a rental period of not less than ~~31~~(30) consecutive days. "Qualifying rental agreement" shall expressly exclude: (1) any agreement regardless of length of the rental term ~~which that~~ may be terminated for any reason by either party or by mutual consent prior to the ~~thirtieth (30th)~~ 31st consecutive day of the tenancy; or (2) any agreement ~~which that~~ would constitute a violation of law. Any person who has a written agreement with the operator, entered into within the first 30 days of the person's occupancy, that states that the person will stay for more than 30 consecutive calendar days, must pay TOT for the first 30 days of the person's stay in accordance with this Chapter.

SECTION II.

Add the following new text to Chapter 33 Zoning, Article 1 (General Provisions and Definitions)

Sec. 33-8. Definitions

Single Room Occupancy (SRO) Unit means a living or efficiency unit, as defined by California Health and Safety Code section 17958.1, intended or designed to be used, as a primary residence for a period of more than 30 consecutive days. Each SRO unit consists of one combined living and sleeping room with a closet, and may contain either a kitchen or separate private bathroom, but not both. Whichever amenity is not contained within the individual unit, the kitchen, or bathroom shall be provided as a common facility within the same structure and shall be shared with the tenants of other SRO units within the same structure. An SRO may include an office for the purpose of managing the SRO units and common facilities. An SRO may include one self-contained dwelling unit with kitchen and bathroom facilities for a caretaker.

SECTION III.

Add the following new definition to Chapter 33 Zoning, Article 63 (Transient Lodging Facilities)

Sec. 33-1341. Definitions

“Hotel Conversion” is any action that converts any building or structure used for transient lodging in which there are five or more transient guest rooms by either (1) a change of use to a commercial, industrial, or other non-residential use; (2) a change of use to a group home or quarters, single-room occupancy (SRO) units, multi-family housing, or a combination thereof, that may be utilized for supportive housing, transitional housing, or other types of housing; (3) a conversion to a condominium, cooperative, or similar form of ownership; or (4) a discontinuance of transient occupancy or closure of transient lodging that changes the use for a purpose other than transient lodging operations. Such a conversion of any of the above may affect an entire building or structure used for transient lodging, or any portion thereof.

SECTION III.

Create a new section in Chapter 33 Zoning, Article 63 (Transient Lodging Facilities)

Section 33-1348. Hotel Conversions.

- (a) Purpose. The specific purpose of the hotel conversion procedure is to ensure that any conversion of transient lodging to other uses is preceded by adequate notice, and to allow for the conversion of existing hotels, motels, and other transient lodgings to various types of land uses, while providing for the review of the configuration, design, location, and potential impacts of the proposed use in order to evaluate the suitability of a new or converted use to the site.

- (b) Applicability.
 - (1) Permit required. In addition to any other necessary discretionary land use permit that may be required, a Hotel Conversion Permit (Plot Plan Permit) is required in order to authorize the conversion of hotels, motels, and other transient lodgings to another use, and may be approved for any use classification permitted or conditionally permitted in the base district in any zoning district in which an existing hotel or motel is located. To qualify for a hotel or motel conversion to housing, the land development request or proposed housing development would have to comply with applicable, objective General Plan, zoning, and subdivision standards.
 - (A) No application to construct a new use on the property shall be accepted for processing or approved, unless the proposed land use development application is in conformance with this section and a Hotel Conversion Permit is first obtained.
 - (B) No building permit or other license, authorization, or permit shall be construed to allow any action in contravention of this section, and any license, authorization, or permit obtained that purports to allow any action in contravention of this section shall be void.
 - (C) Regulations Non-Exclusive. The provisions of this chapter regulating hotel conversions are not intended to be exclusive, and compliance therewith shall not

excuse noncompliance with any other provisions of the Municipal Code or any other regulations pertaining to the operation of businesses as adopted by the City Council of the City of Escondido

- (2) Zoning Districts. Existing hotels and motels in all zoning districts, as well as those located in Specific Plan areas, may be permitted to be converted provided the conversion is found consistent with all applicable standards provided in this section.

(c) Authority.

- (1) The director, or director's designee, shall have the authority to grant, conditionally grant, or deny a Hotel Conversion Permit application for any use that is permitted in the zoning district. For projects including other discretionary actions that must be approved at a higher level than the director (such as by the Planning Commission or City Council), the design review permit will also be decided upon at that higher level.
- (2) The conversion of hotels, motels, and other transient lodgings to any other use that is conditionally permitted in the same zoning district shall be reviewed and considered by the Planning Commission through the issuance of a Major Conditional Use Permit.
- (3) A Hotel Conversion Permit application that requires concurrent review and approval of a zone change or other discretionary action at a higher level than the director or Planning Commission shall require the review by the Planning Commission, which shall forward a recommendation to the City Council for final action.

(d) Permit administration. At the time a new hotel conversion is requested in any existing building or structure, a Hotel Conversion Permit application package shall be submitted to the planning division, together with the applicable application fee as established by the City Council.

- (1) Application requirements. An application for a hotel conversion shall be filed in compliance with section 33-1315 (Authorization, Procedure, and Modification) in the same manner as a Plot Plan Permit.
- (2) Hotel Conversion projects shall be allowed to convert to any land use or activity as provided in any permitted and conditionally permitted Principal Use Matrix in the base district in any zoning district in which an existing hotel or motel is located. Hotel conversion projects shall comply with all applicable requirements of the General Plan, Zoning Code, specific plans, area plans, City design standards, building and safety requirements, and other applicable City standards. No hotel conversion project shall be granted a permit unless the following requirements are satisfied:
- (A) Demand analysis and mitigation as specified in section 33-1125 for a change of use to a commercial, industrial, or other non-residential use; for a conversion to a condominium, cooperative, or similar form of ownership; or for other changes of the use for a purpose other than transient lodging operations.
- (B) Compliance with section 6-457 (Other Fees and Exactions for Public Services), if otherwise applicable, for a change of use to group home or quarters, SRO units,

- multi-family housing, or combination thereof that may be utilized for supportive housing, transitional housing, or other types of housing provisions.
- (C) The establishment, maintenance, or operation of the use would not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use.
 - (D) The use, as described and conditionally approved, would not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City.
 - (E) The design, location, operating characteristics, and size of the proposed use, including any proposed increase in floor area, room/unit count, or height is consistent with the provisions of this ordinance and the implementation of which would be compatible with the existing land uses in the vicinity in terms of aesthetic values, character, scale, and view protection.
- (3) Project review, notice, and hearing.
- (A) Each application shall be analyzed to ensure the application is consistent with the purpose and intent of this section.
 - (i) Expedited Processing of Plans and Permits. Projects providing affordable housing, including affordable housing for seniors and/or target populations, will receive expedited processing as currently available.
 - (B) City staff shall submit a staff report and recommendation to the decision-maker for consideration on a Hotel Conversion Permit.
 - (C) The applicant shall be provided with a list of applicable conditions. In approving a Hotel Conversion Permit, the applicable review authority may impose conditions (e.g., landscaping and maintenance, lighting, off-site improvements, parking, performance guarantees, property maintenance, signs, surfacing, time limits, traffic circulation) deemed reasonable and necessary to ensure that the approval would be in compliance with the findings required by this section, and to preserve the public health, safety, and general welfare.
 - (i) The City Council may find that there is substantial evidence to support a finding that the imposition of conditions would result in an extreme economic hardship for the applicant for an affordable housing project, including affordable housing projects for seniors and/or target populations. An extreme economic hardship does not exist where the cost of implementing the conditions would merely deny the applicant the maximum profits that could be realized from the hotel conversion.
 - (ii) If the City Council determines that the conditions would result in extreme economic hardship for the applicant, the City Council may waive or modify any conditions that would otherwise be necessary to enable the City Council to make the findings required. Such conditions may be waived or modified only to the extent minimally necessary to alleviate such extreme economic hardship.
- (4) Findings and Decision. The applicable review authority may approve, conditionally approve, or disapprove an application for a Hotel Conversion Permit. The review authority may approve a Hotel Conversion Permit only after first finding that the hotel

- or motel proposed for conversion was legally constructed and is currently a legal or legally nonconforming use and the project represents successful implementation of this section, and complies with all other applicable provisions of local and state law.
- (i) For hotel conversion projects under the purview of the director, the director's written decision and conditional letter of approval shall be filed in the Planning Division and a copy provided to the applicant at the address shown on the application. The applicant must sign and return the conditional letter of approval, thereby agreeing to the conditions of approval, prior to submittal of applications for construction permits.
 - (ii) For hotel conversion projects under the purview of the Planning Commission or the City Council, the applicable review authority shall conduct a public hearing on an application for a Hotel Conversion Permit before the approval or disapproval of the Permit.
- (5) Post approval procedures. The procedures relating to appeals, changes, expiration, performance guarantees, and revocation that are identified in the Zoning Code shall apply following the decision on a Hotel Conversion Permit application.
- (e) Development Standards and Land Use Regulations. Development regulations shall be those of the base district in any zoning district in which an existing hotel or motel is located to ensure that hotel conversions may be designed, located, and operated compatibly with uses on adjoining properties and in the surrounding area. Exceptions to the development standards and land use regulations of any zoning district as enumerated in this subsection shall be provided to incentivize the reuse of hotel, motels, and other transient lodgings for group home or quarters, SRO units, multi-family housing, or combination thereof. When there are General Plan, Zoning Map, or specific plan amendments contemplated or under study as part of the hotel conversion request, the City may apply additional terms, limitations, or conditions to the application request so that the use more closely aligns with applicable, objective General Plan and zoning standards.
- (1) Minimum lot size. There shall be no applicable minimum lot width, depth, or total lot size for hotel and motel conversions.
 - (2) Residential density. The resulting number of residential units after the conversion shall be no greater than 75% of the number of guest rooms in the existing hotel or motel.
 - (3) General unit size and building requirements.
 - (A) The general building and occupancy standards required in connection with group homes or quarters shall be not less than the amount set forth by Article 6 (Residential Zones) of the Zoning Code
 - (B) The net area of a SRO unit may range from a minimum of 150 square feet to a maximum of 400 square feet, with the average unit size being no greater than 345 square feet.
 - (C) Multi-family units shall meet the general building requirements of Article 6 (Residential Zones) of the Zoning Code. The minimum size of a residential unit resulting from a hotel or motel conversion shall be the same as the minimum size of a SRO.

- (4) General occupancy requirements shared for group homes or quarters with beds, SRO units, or multi-family units.
 - (A) Common open spaces shall be designed to accommodate appropriate furnishings and shall be furnished for use by residents. Appropriate furnishings for indoor spaces may include such items as lounge chairs or couches, tables with chairs, writing desks, and televisions. Outdoor furnishings may include such items as outdoor benches; tables with chairs; barbecues; and shade coverings like arbors, patio covers, garden shelters, or trellises.
 - (B) Laundry facilities must be provided within units or elsewhere on-site. If laundry facilities are provided as a shared provision, a minimum of two washers and two dryers must be provided in a separate room. Additional washers and dryers must be provided for any development that has more than 20 units at the ratio of one washer and one dryer for every 20 units or portion thereof.
 - (C) Common bathrooms must be located on any floor with units that do not have full bathrooms. Common bathrooms shall be either single occupant use with provisions for privacy or multi-occupant use with separate provisions for men and women. Common bathrooms shall have shower or bathtub facilities at a ratio of one such bathroom for every 10 units. Each shared shower or bathtub facility shall be provided with an interior lockable door.
 - (D) Complete common cooking facilities/kitchens must be provided if any unit within the project does not have a kitchen. At least one complete common cooking facility/kitchen shall be provided within the project for every 20 units or portion thereof. One complete common cooking facility/kitchen shall be provided on any floor where units without kitchens are located.
- (5) Floor area ratio. The resulting floor area, as defined in 'Floor Area, Gross' for "all other districts" after conversion shall no more than 110% of the existing floor area of the hotel or motel being converted. Floor area added solely for the purpose of complying with the Building Code or life safety requirements shall not be counted for purposes of calculating the floor area ratio.
- (6) Site coverage. There shall be no maximum site coverage applicable for hotel and motel conversions.
- (7) Height. Any increase in height resulting from hotel and motel conversions shall comply with the maximum height set forth in the underlying zoning district. The conversion of any existing hotel or motel to affordable housing pursuant to this subsection shall not result in loss of legally nonconforming status with regard to building height.
- (8) Setbacks. Hotel and motel conversions shall not be subject to the setback requirements of the underlying zoning district. The conversion of any existing hotel or motel to affordable housing pursuant to this subsection shall not result in loss of legally nonconforming status with regard to setbacks.

- (9) Common areas and open space. All hotel and motels conversion shall include common areas with amenities such as seating, tables, barbecues, recreation areas or other related amenities. The size and nature of these common areas shall be approved by the reviewing authority pursuant to a Hotel Conversion Permit.
- (A) Not less than 50 square feet of usable open space area shall be provided for each SRO unit. Group homes or quarters and multi-family units shall meet the general building and occupancy standards for open space areas.
- (B) Shared bathrooms, laundry rooms, or kitchens shall not be considered as open space areas.
- (10) Landscaping. Minimum landscaped areas shall not be applicable to hotel and motel conversions. Additional landscaping screening shall be provided as necessary to visually buffer the proposed development from surrounding streets and properties, particularly residential properties, and may consist of any combination of landscaping, fencing, or other suitable method. Notwithstanding the foregoing, the maximum height of walls and fences between the front property line and the occupancy frontage for hotel and motel conversions may be increased to six feet, provided that such walls and fences are at least 50% open and are set back a minimum of three feet from the front property line. The reviewing authority may approve deviations from any wall and fence requirements as part of the issuance of a Hotel Conversion Permit. A decorative masonry wall six feet in height shall be constructed along any common property line between the subject property and any adjoining property containing a single-family use.
- (11) Parking.
- (A) The number of off-street parking spaces required in connection with any particular land use shall be not less than the amount set forth by Article 39 of the Zoning Code unless modified herein.
- (i) Market rate dwelling units shall comply with the parking requirements as specified.
- (ii) The parking provided for restricted group homes or quarters, SRO units, or multi-family dwelling units to be sold or rented to lower income households or target populations shall not exceed 0.5 parking spaces per unit.
- (iii) If utilized for supportive housing development, consistent with Supportive Housing Law (Government Code sections 65650 – 65656), if the supportive housing is located within 1/2 mile of a public transit stop, no minimum parking requirements shall be applied for the units occupied by supportive housing residents, pursuant to Government Code section 65654.
- (B) The requirement to provide guest parking is waived for only the restricted, lower income affordable dwelling units. SRO units or multi-family units with more than 30 converted guest rooms shall not be eligible for this waiver provision for the portion of units that exceed 30 units; and shall provide 0.25 guest parking spaces per restricted dwelling unit, with a minimum of one guest parking space per project and a maximum of 15 stalls for guest parking.

- (C) With the exception of projects that allow only senior residents, projects that have less than one automobile parking space per unit shall provide one easily accessible space for storing and locking a bicycle per unit. For projects that provide one or more parking spaces per unit, at least one bicycle storage space for every three units shall be provided.
- (12) Signs. All hotel and motel conversions shall comply with the residential signage provisions of Article 66 (Signs) of the Zoning Code.
- (13) Lighting. All hotel and motel conversions shall comply with the provisions of Article 35 (Outdoor Lighting) of the Zoning Code.
- (14) Affordability. If required as a component of the land use development request, there are two different approaches to maintaining long-term affordability that require signing an Affordable Housing Agreement: 1) the applicant agrees to maintain the designated dwelling unit as affordable for at least 45 years for for-sale units and 55 years for rental units; or 2) the applicant agrees to participate in a “shared equity purchase program.” The decision on which approach to use is up to the developer, except where state or federal standards applying to a given project require specific affordability periods. Under the long-term affordability program, the housing must remain affordable for at least 45 years for for-sale units and 55 years for rental units, from the original date of sale or rental. Affordability terms are secured by an affordable housing agreement, which shall be in a form approved by the City Attorney and recorded on the property prior to or concurrent with the initial occupancy (for rental units) or sale of the property

ATTACHMENT 3

Planning Commission
Hearing Date: June 22, 2021
Effective Date: June 23, 2021

PLANNING COMMISSION RESOLUTION NO. 2021-05

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ESCONDIDO, CALIFORNIA, RECOMMENDING APPROVAL TO AMEND ARTICLE 4 OF CHAPTER 25 OF THE ESCONDIDO MUNICIPAL CODE AND ARTICLES 1 AND 63 OF THE ESCONDIDO ZONING CODE TO ALLOW THE CONVERSION OF HOTELS AND MOTELS TO HOUSING.

APPLICANT: City of Escondido

CASE NO: PL 21-0228

WHEREAS, in recent years, there have been considerable discussions throughout the State of California regarding the housing shortage, which is associated with rising housing costs and lack of affordable housing options; and

WHEREAS, the rising housing costs and lack of affordable housing options have led to a rise in homelessness in the region, including within the City of Escondido; and

WHEREAS, the conversion of existing hotels and motels to affordable housing requires substantially less time and cost than new development of affordable housing; and

WHEREAS, the conversion of existing hotels and motels to affordable housing allows for the creation of new housing through adaptive reuse of existing buildings, thereby substantially maintaining the existing scale and character of neighborhoods; and

WHEREAS, Proposition S was adopted by voters in 1998 and requires voter approval of specified future changes to the Escondido General Plan. General Plan changes, subject to Proposition S, include increasing residential densities, changing or increasing the residential land use categories, or changing any residential designation to a commercial or industrial designation on any property designated as Rural, Estate, Suburban, or Urban. Thus, voter approval is required for amendments that would increase residential densities, but also deters the loss of residential land when associated with an amendment to commercial or industrial; and

WHEREAS, pursuant to CEQA and the CEQA Guidelines (Title 14 of California Code of Regulations, Section 15000 et. seq.), the City is the Lead Agency for the Project, as the public agency with the principal responsibility for approving the proposed Project; and

WHEREAS, the Planning Division studied the Application, performed necessary investigations, prepared a written report, and hereby recommends approval of the Project as depicted in Exhibit "B," which is attached hereto and made a part hereof by this reference as though fully set forth herein; and

WHEREAS, City staff provided public notice of the application in accordance with City and State public noticing requirements; and

WHEREAS, on June 22, 2021, the Planning Commission held a duly noticed public hearing as prescribed by law, at which time the Planning Commission received and considered the reports and recommendation of the Planning Division and gave all persons full opportunity to be heard and to present evidence and testimony regarding the

Project. Evidence was submitted to and considered by the Planning Commission, including, without limitation:

- a. Written information including plans, studies, written and graphical information, and other material, submitted by the Applicant;
- b. Oral testimony from City staff, interested parties, and the public;
- c. The staff report, dated June 22, 2021, with its attachments as well as City staff's recommendation on the Project, which is incorporated herein as though fully set forth herein; and
- d. Additional information submitted during the public hearing; and

WHEREAS, the public hearing before the Planning Commission was conducted in all respects as required by the Escondido Municipal Code and the rules of this Planning Commission.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Escondido:

1. Record and Basis for Action. The Planning Commission has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

2. The proposed Municipal Code and Zoning Code Amendments are exempt from CEQA, pursuant to Class 1 Categorical Exemption (CEQA Guidelines Section 15301) because it would involve new/revised policies and procedures that would

involve negligible or no expansion of an existing use, including small additions to existing structures. Projects seeking to implement the amended provisions would be subject to separate review under the CEQA.

3. After consideration of all evidence presented, and studies and investigations made by the Planning Commission and in its behalf, the Planning Commission makes the following substantive findings and determinations, attached hereto as Exhibit "A," relating to the information that has been considered. In accordance with the Findings of Fact and the foregoing, the Planning Commission reached a recommendation on the matter as hereinafter set forth.

4. That, considering the Findings of Fact and applicable law, the Planning Commission hereby makes a motion to recommend City Council approval of said amendments, attached as Exhibit "B."

5. The intent of Proposition S is to focus on current residential zones, rather than rezones from non-residential to residential. A rezone from a non-residential zone to a residential zone does not trigger Proposition S. Proposition S does not act as a cap on the number of housing units constructed or permits that can be approved either annually or for some other time period. It also does not limit the population of the city.

6. The Planning Commission supports policy direction to direct the Director of Community Development to create a process to expedite Building plan intake and permit plan check review if the hotel or motel conversion results in deed-restricted affordable housing.

EXHIBIT “A”

PL 21-0228

FATORS TO BE CONSIDERED / FINDINGS OF FACT

Environmental Determinations:

1. Pursuant to the California Environmental Quality Act (Public Resources Code section 21000 et. seq.) (“CEQA”), and its implementing regulations (14 C.C.R. § 15000 et seq.) (“CEQA Guidelines”), the City of Escondido (“City”) is the Lead Agency for the project (“Project”), as the public agency with the principal responsibility for approving the Project.
2. The Project qualifies for an exemption from further environmental review pursuant to CEQA Guidelines section 15301 (Existing Facilities) because the Zoning Code Amendment would involve new policies and procedures that would involve negligible or no expansion of an existing use, including small additions to existing structures. Existing hotels and motels could convert to other uses, like supportive housing, transitional housing, single-room occupancy, multi-family housing, or combination thereof, rather than temporary dwelling accommodation for transient guests. Hotels and motels present a unique opportunity to utilize existing structures to respond to immediate housing need. These buildings are structurally similar to residential buildings, and have the potential to be quickly adapted to provide housing though publicly-funded programs.
3. The Planning Commission has independently considered the full administrative record before it, which includes but is not limited to the June 22, 2021 Planning Commission Staff Report; testimony by staff and the public; and other materials and evidence submitted or provided to it. The administrative record demonstrates that each of the above requirements have been satisfied. No substantial evidence has been submitted that would support a finding that any of the above-described exemption requirements has not been satisfied. The Project will not have a significant effect on the environment, and all of the requirements of CEQA have been met.

Proposition S Determinations:

1. The City is facing a statewide challenge of providing an adequate supply of affordable housing. It is in the public interest for a local government agency to accommodate development while protecting the general welfare of the community, through a regulatory framework/environment. At the same time, government regulations can potentially constrain the supply of housing available in a community if the regulations limit the opportunities to develop housing, impose requirements that unnecessarily increase the cost to develop housing, or make the development process so arduous as to discourage housing developers.

2. The State of California requires that cities and counties adopt a comprehensive long-term General Plan for the physical, social, and economic growth of the agency (Government Code section 65300). The Housing Element is one of the required elements of the General Plan (Government Code section 65302) and must address the existing and projected housing needs of all economic segments of the city or county. The State of California requires that the Housing Element include an analysis of housing needs, available resources, governmental and non-governmental constraints, and policies and programs related to the maintenance, improvement, and development housing.
3. Actual or potential constraints to the provision of housing affect the development of new housing and the maintenance of existing units for all income levels. State Housing Element law (Government Code sections 65583(a)(5 and 6)) requires cities and counties to review both governmental and non-governmental constraints to the maintenance and production of housing for all income levels. Since local governmental actions can restrict the development and increase the cost of housing, State law requires the Housing Element to “address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing” (Government Code section 65583(c)(3)). In addition, as appropriate, the Housing Element must discuss efforts to remove governmental constraints relating to the provisions of supportive housing, transitional housing, single-room occupancy, and multi-family housing.
4. Given the City’s relatively built-out character, most of the goals and policies in the existing General Plan continue to represent the City’s position on growth and development issues. The scarcity of land with adequately zoned capacity is a significant contributor to increased land prices and housing development costs. On a regional basis, a lack of adequately zoned sites exacerbates the already significant deficit of housing affordable to lower income households.
5. Growth control ordinances or policies are designed to limit the amount or timing of residential development. Since growth control policies, by definition, constrain the production of housing, local governments must analyze whether or not local growth control policies limit the ability to meet the Regional Housing Needs Allocation (“RHNA”). While not a form of growth control, Proposition S does require voter approval of specified future changes to the Escondido General Plan. General Plan changes, subject to Proposition S, include increasing residential densities, changing or increasing the residential land use categories, or changing any residential designation to a commercial or industrial designation on any property designated as Rural, Estate, Suburban, or Urban.
6. Proposition S applies to the intensification of land uses in residential areas of the City. Specifically, under Policy E 2.3: “Permitted land uses *in the residential areas of the City* shall be intensified only when the voters approve such changes.”
7. Recognizing Proposition S as a potential constraint, the 2012 Housing Element included a program to monitor the potential impacts of Proposition S to determine it regulated the use of land within Escondido like other types of growth management measures. The same monitoring program is included in the draft 2021-2029 Housing Element.

8. Pursuant to Government Code Section 65583, all cities must accommodate their RHNA allocations in their Housing Elements by adopting land use plans that accommodate the minimum amounts of housing unit goals and RHNA allocations. An effective Housing Element provides the necessary conditions for conserving, preserving and producing an adequate supply of housing affordable at a variety of income levels and provides a vehicle for establishing and updating housing and land-use strategies to reflect changing needs, resources, and conditions. Among other things, the Housing Element establishes a jurisdiction's strategy to plan for and facilitate the development of housing over the eight-year planning period by providing an inventory of land adequately zoned or planned to be zoned for housing and programs to implement the strategies.
9. SANDAG adopted its RHNA in July 2020 for the 6th Housing Element planning cycle, which covers an eight-year planning period (April 2021 through April 2029). Escondido's share of regional future housing needs is a total of 9,607 new units for the period of April 15, 2021, to April 15, 2029. This allocation is divided into various income categories, of which 3,113 must be reserved for households in the low- and very low-income category. The overall RHNA allocation process reflects a need for cooperation between both public and private sectors to expand housing opportunities that will allow for new housing development that benefits everyone in the community, such as a greater mix of housing types and choices. It allows local governments to maintain control over where and what type of development should occur in their communities, while allowing the private sector to meet market demand. While the Housing Element must contain a variety of community statistics to frame future housing needs, pursuant to Government Code section 65583, all cities must accommodate their RHNA allocations in their Housing Elements by adopting land use plans that accommodate the minimum amounts of housing unit goals and RHNA allocations.
10. In preparing the draft 2021-2029 Housing Element, which is now available for public review, the City examined the residential development capacity under the existing General Plan, zoning, and specific plans, and has demonstrated adequate capacity to accommodate the City's RHNA for the 6th Housing Element planning cycle.
11. Proposition S does not act as a cap on the number of housing units constructed or permits that can be approved either annually or for some other time period. It also does not limit the population of the city.
12. The intent of Proposition S is to focus on current residential zones, rather than rezones from nonresidential to residential. A rezone from a non-residential zone to a residential zone does not trigger Proposition S.
13. The City has the authority to create community facilities, assessment, or service districts to offset impacts to ongoing municipal services pursuant to other California statutes, including but not limited to the Mello-Roos Community Facilities District Act, the Improvement Act of 1911, the Municipal Improvement Act of 1913, the Improvement Bond Act of 1915, the Landscaping and Lighting Act of 1972, the Benefit Assessment Act of 1982, and the Parking and Business Improvement Area Law of 1989. The City's General Plan, including its goals and policies related to Public Facility Financing, Public Facility

Deficiencies, Complete Streets, Fire Protection, Police Services, and Parks and Recreation, require new development to contribute fees or establish other funding mechanisms so that the City can adequately operate and maintain municipal facilities and equipment and ensure ongoing levels of municipal services. The Planning Commission finds that nothing in this Proposition S constraints analysis and resulting determination(s) shall be construed to exempt any person or applicant for land use development from providing adequate public facilities necessary to serve new growth, or portion of the costs of providing such public facilities; and providing a funding mechanism to offset the anticipated on-going costs of municipal services required to serve new residential development.

Improperly managed residential growth within the City could adversely affect the City's capacity to provide adequate facilities and services to accommodate that growth. In particular, improperly managed growth could result in an overburdening of the City's sewage treatment facility, increased traffic congestion on streets and freeways, inadequate levels of police and fire protection, adverse impacts on water resources and drainage systems, etc.

Should a development project not be subject to the Services CFD, the City desires to continue its policy of ensuring that the development project otherwise offsets its impacts to municipal services required for the project through the payment of other lawful fees or exactions. Pursuant to its continued efforts to address the City's general fund budget deficit and to act in the best interests of the City's residents and taxpayers, the City desires to reaffirm its policy for all residential development projects to offset the impacts to municipal services required for such projects.

Zoning Code Amendment Determinations:

1. In recent years, there have been considerable discussions throughout the State of California regarding the housing shortage, which is associated with rising housing costs and lack of affordable housing options. The rising housing costs and lack of affordable housing options have led to a rise in homelessness in the region, including within the City of Escondido. People experiencing homelessness are more likely to successfully transition to permanent housing when provided with easily accessible support services such as health, substance abuse, education, job training, and case management, in addition to affordable housing.
2. The conversion of existing hotels and motels to affordable housing requires substantially less time and cost than new development of affordable housing. The conversion of existing hotels and motels to affordable housing allows for the creation of new housing through adaptive reuse of existing buildings, thereby substantially maintaining the existing scale and character of residential neighborhoods.
3. With the enactment of Senate Bill 2 (SB 2, Statutes of 2017), State law requires cities and counties to treat transitional housing and supportive housing as a residential use and allow

transitional and supportive housing in all zones that allow residential uses, subject only to those restrictions that apply to other residential uses of the same type in the same zone.

Transitional housing is defined by section 50801 of the Health and Safety Code. Residents of transitional housing are usually connected to supportive services designed to assist households in achieving greater independence and a permanent, stable living situation. Transitional housing can take several forms, including group quarters with beds, single family homes, and multi-family apartments; and typically offers case management and support services to help return people to independent living (often six months to two years). Transitional housing can be provided through group quarters with beds, single family homes, single-occupancy units, and multi-family units. Transitional housing is a time-limited housing intervention that provides homeless individuals and families with the interim stability and support to successfully move into and maintain permanent housing, typically within a period of 6 to 24 months. This housing solution is often most suitable for individuals and families who are experiencing homelessness for economic reasons, and require safe and affordable shelter on an interim basis while they stabilize and seek a more long-term housing solution.

Supportive housing is defined by section 50675.14 of the Health and Safety Code. Supportive housing, with no limit on stay, links the provision of housing and social services for the vulnerable populations, like the homeless, people with disabilities, and a variety of other target populations. Similar to transitional housing, supportive housing can take several forms, including group quarters with beds, single family homes, and multi-family units. Supportive housing provides indefinite rental assistance and supportive services to assist homeless persons or target populations achieve housing stability.

Both transitional housing and supportive housing incorporate supportive services such as individual case management, mental health treatment, addiction therapy and vocational training.

4. With the adoption of Proposition 2 at the November 6, 2018, statewide general election, the voters expressly approved of the development of permanent supportive housing pursuant to the No Place Like Home Program (Part 3.9 (commencing with Section 5849.1) of Division 5 of the Welfare and Institutions Code). Pursuant to Government Code section 65656, the Legislature further finds and declares that the provision of adequate supportive housing to help alleviate the severe shortage of housing opportunities for people experiencing homelessness and of necessary services to the target population described in Section 50675.14 of the Health and Safety Code. One way that the Legislature is seeking to develop permanent supportive housing in accordance with programs such as the No Place Like Home Program is by removing zoning barriers that would otherwise inhibit that development.
5. Hotels and motels present a unique opportunity to utilize existing structures to respond to immediate housing need. These buildings are structurally similar to residential buildings, and have the potential to be quickly adapted to provide housing though publicly-funded

programs. Today, individual rooms in hotels and motels are often used as a form of transient guest housing accommodation, and there is increasing interest in converting entire properties to transitional housing and/or supportive housing.

6. The term “Single-room occupancy” (SRO) is recommended to be added to the set of definitions for the Zoning Code as this unit type is most likely to be the product of hotel or motel conversions. While SRO dwellings are typically a more affordable type of housing, it doesn’t necessarily mean that they’re income restricted. In recent years, changing demographics and preferences have led to the development of market-rate SROs for those who simply prefer to live alone without the burden of maintaining amenities like kitchen and/or bathroom facilities. Market-rate projects could be a good fit for single professionals who spend the majority of their time outside of their homes, or for seniors who still live independently but wish to downsize.
7. To qualify for a hotel or motel conversion to housing, which may include group homes or quarters, SRO units, or multi-family housing, the proposed housing development would have to comply with applicable, objective General Plan, Zoning, and subdivision standards. It is the responsibility of the applicant for a building permit or other license, authorization or permit issued by the City to ensure that any construction, alteration, or conversion of property for hotel or motel use conforms to the General Plan and other planning and zoning laws.
8. Supportive housing and transitional housing shall be treated as comparable to any other residential unit to satisfy the overriding goal to integrate homeless persons or target populations in all communities, consistent with Government Code section 65008(2)(d) ([prohibits imposition of different requirements on a residence intended for occupancy by a protected class or by persons of very low-, low-, moderate-, or middle-income, other than those generally imposed upon other residences].) Any identified concerns can be addressed by the same occupancy limits and zoning enforcement tools that are used for other residential projects.
9. The terms and limitations of the proposed ordinance and allowance to convert hotels and motels, do not act as an override and must be read and applied consistent with other statutory requirements such as CEQA. Appropriate CEQA documents would be prepared after a specific project scope is defined but prior to consideration of approval of any land use development application.
10. The proposed ordinance is consistent with the General Plan goals and policies related to housing choices and diversity, adequate and affordable housing, infill development, smart growth, and neighborhood character. The proposed ordinance would be consistent with the goals and policies of the General Plan because they advance a number of land use goals and policies. Goal 2 et. seq. policies of the Land Use and Community Form Element addresses the need for regulations that clearly and effectively implement land use development goals and objectives. This Project is based on establishing new standards for hotel and motel conversions to reflect current values. The proposed ordinance is also consistent with Policy 4.2 of the same element for neighborhood maintenance and preservation since the Project seeks to focus new housing

accommodate in existing commercial areas, served by transit and close to goods and services, thereby protecting residential neighborhoods and community character from the encroachment of higher density uses. The Project also advances goals and policies that enumerate housing opportunities or housing accommodate for a range of households with different income levels.

11. The action to amend the Zoning Code is based on factors pursuant to Section 33-1263 of the Escondido Zoning Code. Cities from time to time make significant efforts to tailor their city's ordinances to create a local community that develops in a way that the local policy-makers desire. Cities use its "police power" to create laws that promote the general health, safety, and welfare of its citizens. The public health, safety, and welfare of the City of Escondido would not be adversely affected by the proposed ordinance because:

- There is a need for a diversity of housing solutions to address the varying needs of people experiencing homelessness and this Project effectively implements selected long-term objectives related to housing.
- Transitional housing or supportive housing can take several forms related to hotel or motel conversions, including group homes or quarters with beds, SRO units, or multi-family units.
- The draft ordinance addresses site and building design issues to ensure land use compatibility is achieved, neighborhoods are preserved, and community character is protected. Land use compatibility and its goals should be promoted through proactive planning and zoning techniques (e.g., focused infill planning, zoning/rezoning, revised regulations, provision of infrastructure) for infill development, reuse, and growth in existing urbanized areas to enhance community character, optimize City investments in infrastructure and community facilities, support increased transit use, promote pedestrian- and bicycle-friendly neighborhoods, increase housing diversity, ensure integrity of historic districts, and enhance retail viability.
- Hotels and motels and the types of uses that would result from conversions can coexist in relative proximity to each other in a stable fashion over time such that no use or condition is unduly negatively impacted directly or indirectly by another use or condition.
- The conversion or closure of a hotel or motel requires a separate permit issued by the Planning Division. Requiring a discretionary review process prior to approval of conversions of hotels and motels allows for public participation and an opportunity to provide flexibility from development standards while imposing project-specific conditions of approval to reduce potential impacts to residents and businesses within the vicinity of a potential hotel or motel conversion.

EXHIBIT “B”
PL 21-0228
ZONING CODE AMENDMENT

SECTION I.

Repealing in its entirety, the “qualifying rental agreement” definition in section 25-75 of Chapter 25 Taxation, Article 4 (Transient Occupancy Tax), of the Escondido Zoning Code and adopting in full new text to read as specified below.

Qualifying rental agreement shall mean and is limited to a written contract signed by both the operator and tenant, legally enforceable by either party, for a rental period of not less than 31 consecutive days. “Qualifying rental agreement” shall expressly exclude: (1) any agreement regardless of length of the rental term that may be terminated for any reason by either party or by mutual consent prior to the 31st consecutive day of the tenancy; or (2) any agreement that would constitute a violation of law. Any person who has a written agreement with the operator, entered into within the first 30 days of the person's occupancy, that states that the person will stay for more than 30 consecutive calendar days, must pay TOT for the first 30 days of the person's stay in accordance with this Chapter.

SECTION II.

Add the following new text to Chapter 33 Zoning, Article 1 (General Provisions and Definitions)

Sec. 33-8. Definitions

Single Room Occupancy (SRO) Unit means a living or efficiency unit, as defined by California Health and Safety Code section 17958.1, intended or designed to be used, as a primary residence for a period of more than 30 consecutive days. Each SRO unit consists of one combined living and sleeping room with a closet, and may contain either a kitchen or separate private bathroom, but not both. Whichever amenity is not contained within the individual unit, the kitchen, or bathroom shall be provided as a common facility within the same structure and shall be shared with the tenants of other SRO units within the same structure. An SRO may include an office for the purpose of managing the SRO units and common facilities. An SRO may include one self-contained dwelling unit with kitchen and bathroom facilities for a caretaker.

SECTION III.

Add the following new definition to Chapter 33 Zoning, Article 63 (Transient Lodging Facilities)

Sec. 33-1341. Definitions

“Hotel Conversion” is any action that converts any building or structure used for transient lodging in which there are five or more transient guest rooms by either (1) a change of use to a commercial, industrial, or other non-residential use; (2) a change of use to a group home or quarters, single-room occupancy (SRO) units, multi-family housing, or a combination thereof, that may be utilized for supportive housing, transitional housing, or other types of housing; (3) a conversion to a condominium, cooperative, or similar form of ownership; or (4) a discontinuance of transient occupancy or closure of transient lodging that changes the use for a purpose other than transient lodging operations. Such a conversion of any of the above may affect an entire building or structure used for transient lodging, or any portion thereof.

SECTION IV.

Chapter 33 Zoning, Article 63 (Transient Lodging Facilities) - Adopting in full new text to read as specified below.

Section 33-1348. Hotel Conversions.

- (a) Purpose. The specific purpose of the hotel conversion procedure is to ensure that any conversion of transient lodging to other uses is preceded by adequate notice, and to allow for the conversion of existing hotels, motels, and other transient lodgings to various types of land uses, while providing for the review of the configuration, design, location, and potential impacts of the proposed use in order to evaluate the suitability of a new or converted use to the site.
- (b) Applicability.
 - (1) Permit required. In addition to any other necessary discretionary land use permit that may be required, a Hotel Conversion Permit (Plot Plan Permit) is required in order to authorize the conversion of hotels, motels, and other transient lodgings to another use, and may be approved for any use classification permitted or conditionally permitted in the base district in any zoning district in which an existing hotel or motel is located. To qualify for a hotel or motel conversion to housing, the land development request or proposed housing development would have to comply with applicable, objective General Plan, zoning, and subdivision standards.
 - (A) No application to construct a new use on the property shall be accepted for processing or approved, unless the proposed land use development application is in conformance with this section and a Hotel Conversion Permit is first obtained.
 - (B) No building permit or other license, authorization, or permit shall be construed to allow any action in contravention of this section, and any license, authorization, or permit obtained that purports to allow any action in contravention of this section shall be void.

- (C) Regulations Non-Exclusive. The provisions of this chapter regulating Hotel Conversions are not intended to be exclusive, and compliance therewith shall not excuse noncompliance with any other provisions of the Municipal Code or any other regulations pertaining to the operation of businesses as adopted by the City Council of the City of Escondido
- (2) Zoning Districts. Existing hotels and motels in all zoning districts, as well as those located in Specific Plan areas, may be permitted to be converted provided the conversion is found consistent with all applicable standards provided in this section.
- (c) Authority.
- (1) The director, or director's designee, shall have the authority to grant, conditionally grant, or deny a hotel conversion Permit application for any use that is permitted in the zoning district. For projects including other discretionary actions that must be approved at a higher level than the director (such as by the Planning Commission or City Council), the design review permit will also be decided upon at that higher level.
- (2) The conversion of hotels, motels, and other transient lodgings to any other use that is conditionally permitted in the same zoning district shall be reviewed and considered by the Planning Commission through the issuance of a Major Conditional Use Permit.
- (3) A Hotel Conversion Permit application that requires concurrent review and approval of a zone change or other discretionary action at a higher level than the director or Planning Commission shall require the review by the Planning Commission, which shall forward a recommendation to the City Council for final action.
- (d) Permit administration. At the time a new hotel conversion is requested in any existing building or structure, a Hotel Conversion Permit application package shall be submitted to the planning division, together with the applicable application fee as established by the City Council.
- (1) Application requirements. An application for a hotel conversion shall be filed in compliance with section 33-1315 (Authorization, Procedure, and Modification) in the same manner as a Plot Plan Permit.
- (2) Hotel Conversion projects shall be allowed to convert to any land use or activity as provided in any permitted and conditionally permitted Principal Use Matrix in the base district in any zoning district in which an existing hotel or motel is located. Hotel conversion projects shall comply with all applicable requirements of the General Plan, Zoning Code, specific plans, area plans, City design standards, building and safety requirements, and other applicable City standards. No hotel conversion project shall be granted a permit unless the following requirements are satisfied:

- (A) Demand analysis and mitigation as specified in section 33-1125 for a change of use to a commercial, industrial, or other non-residential use; for a conversion to a condominium, cooperative, or similar form of ownership; or for other changes of the use for a purpose other than transient lodging operations.
 - (B) Compliance with section 6-457 (Other Fees and Exactions for Public Services), if otherwise applicable, for a change of use to group home or quarters, SRO units, multi-family housing, or combination thereof that may be utilized for supportive housing, transitional housing, or other types of housing provisions.
 - (C) The establishment, maintenance, or operation of the use would not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use.
 - (D) The use, as described and conditionally approved, would not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City.
 - (E) The design, location, operating characteristics, and size of the proposed use, including any proposed increase in floor area, room/unit count, or height is consistent with the provisions of this ordinance and the implementation of which would be compatible with the existing land uses in the vicinity in terms of aesthetic values, character, scale, and view protection.
- (3) Project review, notice, and hearing.
- (A) Each application shall be analyzed to ensure the application is consistent with the purpose and intent of this section.
 - (i) Expedited Processing of Plans and Permits. Projects providing affordable housing, including affordable housing for seniors and/or target populations, will receive expedited processing as currently available.
 - (B) City staff shall submit a staff report and recommendation to the decision-maker for consideration on a Hotel Conversion Permit.
 - (C) The applicant shall be provided with a list of applicable conditions. In approving a Hotel Conversion Permit, the applicable review authority may impose conditions (e.g., landscaping and maintenance, lighting, off-site improvements, parking, performance guarantees, property maintenance, signs, surfacing, time limits, traffic circulation) deemed reasonable and necessary to ensure that the approval would be in compliance with the findings required by this section, and to preserve the public health, safety, and general welfare.
 - (i) The City Council may find that there is substantial evidence to support a finding that the imposition of conditions would result in an extreme economic hardship for the applicant for an affordable housing project, including affordable housing projects for seniors and/or target populations. An extreme economic hardship does not exist where the cost of implementing the conditions would merely deny the applicant the maximum profits that could be realized from the hotel conversion.
 - (ii) If the City Council determines that the conditions would result in extreme economic hardship for the applicant, the City Council may waive or modify any conditions that would otherwise be necessary to enable the City Council to make the findings required. Such conditions may be waived or

modified only to the extent minimally necessary to alleviate such extreme economic hardship.

- (4) Findings and Decision. The applicable review authority may approve, conditionally approve, or disapprove an application for a Hotel Conversion Permit. The review authority may approve a Hotel Conversion Permit only after first finding that the hotel or motel proposed for conversion was legally constructed and is currently a legal or legally nonconforming use and the project represents successful implementation of this section, and complies with all other applicable provisions of local and state law.
- (i) For hotel conversion projects under the purview of the director, the director's written decision and conditional letter of approval shall be filed in the Planning Division and a copy provided to the applicant at the address shown on the application. The applicant must sign and return the conditional letter of approval, thereby agreeing to the conditions of approval, prior to submittal of applications for construction permits.
 - (ii) For hotel conversion projects under the purview of the Planning Commission or the City Council, the applicable review authority shall conduct a public hearing on an application for a Hotel Conversion Permit before the approval or disapproval of the Permit.
- (5) Post approval procedures. The procedures relating to appeals, changes, expiration, performance guarantees, and revocation that are identified in the Zoning Code shall apply following the decision on a Hotel Conversion Permit application.
- (e) Development Standards and Land Use Regulations. Development regulations shall be those of the base district in any zoning district in which an existing hotel or motel is located to ensure that hotel conversions may be designed, located, and operated compatibly with uses on adjoining properties and in the surrounding area. Exceptions to the development standards and land use regulations of any zoning district as enumerated in this subsection shall be provided to incentivize the reuse of hotel, motels, and other transient lodgings for group home or quarters, SRO units, multi-family housing, or combination thereof. When there are General Plan, Zoning Map, or specific plan amendments contemplated or under study as part of the hotel conversion request, the City may apply additional terms, limitations, or conditions to the application request so that the use more closely aligns with applicable, objective General Plan and zoning standards.
- (1) Minimum lot size. There shall be no applicable minimum lot width, depth, or total lot size for hotel and motel conversions.
 - (2) Residential density. The resulting number of residential units after the conversion shall be no greater than 75% of the number of guest rooms in the existing hotel or motel.
 - (3) General unit size and building requirements.

- (A) The general building and occupancy standards required in connection with group homes or quarters shall be not less than the amount set forth by Article 6 (Residential Zones) of the Zoning Code
 - (B) The net area of a SRO unit may range from a minimum of 150 square feet to a maximum of 400 square feet, with the average unit size being no greater than 345 square feet.
 - (C) Multi-family units shall meet the general building requirements of Article 6 (Residential Zones) of the Zoning Code. The minimum size of a residential unit resulting from a hotel or motel conversion shall be the same as the minimum size of a SRO.
- (4) General occupancy requirements shared for group homes or quarters with beds, SRO units, or multi-family units.
- (A) Common open spaces shall be designed to accommodate appropriate furnishings and shall be furnished for use by residents. Appropriate furnishings for indoor spaces may include such items as lounge chairs or couches, tables with chairs, writing desks, and televisions. Outdoor furnishings may include such items as outdoor benches; tables with chairs; barbecues; and shade coverings like arbors, patio covers, garden shelters, or trellises.
 - (B) Laundry facilities must be provided within units or elsewhere on-site. If laundry facilities are provided as a shared provision, a minimum of two washers and two dryers must be provided in a separate room. Additional washers and dryers must be provided for any development that has more than 20 units at the ratio of one washer and one dryer for every 20 units or portion thereof.
 - (C) Common bathrooms must be located on any floor with units that do not have full bathrooms. Common bathrooms shall be either single occupant use with provisions for privacy or multi-occupant use with separate provisions for men and women. Common bathrooms shall have shower or bathtub facilities at a ratio of one such bathroom for every 10 units. Each shared shower or bathtub facility shall be provided with an interior lockable door.
 - (D) Complete common cooking facilities/kitchens must be provided if any unit within the project does not have a kitchen. At least one complete common cooking facility/kitchen shall be provided within the project for every 20 units or portion thereof. One complete common cooking facility/kitchen shall be provided on any floor where units without kitchens are located.
- (5) Floor area ratio. The resulting floor area, as defined in 'Floor Area, Gross' for "all other districts" after conversion shall no more than 110% of the existing floor area of the hotel or motel being converted. Floor area added solely for the purpose of complying with the Building Code or life safety requirements shall not be counted for purposes of calculating the floor area ratio.
- (6) Site coverage. There shall be no maximum site coverage applicable for hotel and motel conversions.

- (7) Height. Any increase in height resulting from hotel and motel conversions shall comply with the maximum height set forth in the underlying zoning district. The conversion of any existing hotel or motel to affordable housing pursuant to this subsection shall not result in loss of legally nonconforming status with regard to building height.
- (8) Setbacks. Hotel and motel conversions shall not be subject to the setback requirements of the underlying zoning district. The conversion of any existing hotel or motel to affordable housing pursuant to this subsection shall not result in loss of legally nonconforming status with regard to setbacks.
- (9) Common areas and open space. All hotel and motels conversion shall include common areas with amenities such as seating, tables, barbecues, recreation areas or other related amenities. The size and nature of these common areas shall be approved by the reviewing authority pursuant to a Hotel Conversion Permit.
 - (A) Not less than 50 square feet of usable open space area shall be provided for each SRO unit. Group homes or quarters and multi-family units shall meet the general building and occupancy standards for open space areas.
 - (B) Shared bathrooms, laundry rooms, or kitchens shall not be considered as open space areas.
- (10) Landscaping. Minimum landscaped areas shall not be applicable to hotel and motel conversions. Additional landscaping screening shall be provided as necessary to visually buffer the proposed development from surrounding streets and properties, particularly residential properties, and may consist of any combination of landscaping, fencing, or other suitable method. Notwithstanding the foregoing, the maximum height of walls and fences between the front property line and the occupancy frontage for hotel and motel conversions may be increased to six feet, provided that such walls and fences are at least 50% open and are set back a minimum of three feet from the front property line. The reviewing authority may approve deviations from any wall and fence requirements as part of the issuance of a Hotel Conversion Permit. A decorative masonry wall six feet in height shall be constructed along any common property line between the subject property and any adjoining property containing a single-family use.
- (11) Parking.
 - (A) The number of off-street parking spaces required in connection with any particular land use shall be not less than the amount set forth by Article 39 of the Zoning Code unless modified herein.
 - (i) Market rate dwelling units shall comply with the parking requirements as specified.
 - (ii) The parking provided for restricted group homes or quarters, SRO units, or multi-family dwelling units to be sold or rented to lower income households or target populations shall not exceed 0.5 parking spaces per unit.
 - (iii) If utilized for supportive housing development, consistent with Supportive Housing Law (Government Code sections 65650 – 65656), if the supportive housing is located within 1/2 mile of a public transit stop, no minimum

parking requirements shall be applied for the units occupied by supportive housing residents, pursuant to Government Code section 65654.

- (B) The requirement to provide guest parking is waived for only the restricted, lower income affordable dwelling units. SRO units or multi-family units with more than 30 converted guest rooms shall not be eligible for this waiver provision for the portion of units that exceed 30 units; and shall provide 0.25 guest parking spaces per restricted dwelling unit, with a minimum of one guest parking space per project and a maximum of 15 stalls for guest parking.
 - (C) With the exception of projects that allow only senior residents, projects that have less than one automobile parking space per unit shall provide one easily accessible space for storing and locking a bicycle per unit. For projects that provide one or more parking spaces per unit, at least one bicycle storage space for every three units shall be provided.
- (12) Signs. All hotel and motel conversions shall comply with the residential signage provisions of Article 66 (Signs) of the Zoning Code.
- (13) Lighting. All hotel and motel conversions shall comply with the provisions of Article 35 (Outdoor Lighting) of the Zoning Code.
- (14) Affordability. If required as a component of the land use development request, there are two different approaches to maintaining long-term affordability that require signing an Affordable Housing Agreement: 1) the applicant agrees to maintain the designated dwelling unit as affordable for at least 45 years for for-sale units and 55 years for rental units; or 2) the applicant agrees to participate in a “shared equity purchase program.” The decision on which approach to use is up to the developer, except where state or federal standards applying to a given project require specific affordability periods. Under the long-term affordability program, the housing must remain affordable for at least 45 years for for-sale units and 55 years for rental units, from the original date of sale or rental. Affordability terms are secured by an affordable housing agreement, which shall be in a form approved by the City Attorney and recorded on the property prior to or concurrent with the initial occupancy (for rental units) or sale of the property.

SECTION V. Clerical Tasks.

The City Clerk be hereby authorized and directed to change any chapter numbers, article numbers, section and page numbers in the event that the adoption of this Municipal Code and Zoning Code amendments reveals that there is a conflict, in order to avoid confusion and possible accidental repeal of existing provisions.

Project Name: Proposition S Constraint Analysis and Hotel Conversion Ordinance
Planning Commission Meeting
Date: June 22, 2021

ATTACHMENT 4



CITY OF ESCONDIDO
PLANNING DIVISION
201 NORTH BROADWAY
ESCONDIDO, CA 92025-2798
(760) 839-4671

Notice of Exemption

To: Assessor/Recorder/County Clerk
Attn: Fish and Wildlife Notices
1600 Pacific Hwy, Room 260
San Diego, CA 92101
MS: A-33

From: City of Escondido
Planning Division
201 North Broadway
Escondido, CA 92025

Project Title/Case No: Hotel Conversion Ordinance / PL 21-0228

Project Location - Specific: CityWide

Project Location - City: Escondido **Project Location - County:** San Diego

Description of Project: An amendment to the Escondido Zoning Code to establish requirements for the conversion of hotels and motels in all zoning districts, as well as those located in specific plans, to supportive housing, transitional housing, single-room occupancy, multi-family housing, or a combination thereof. The project also includes an analysis of the constraints of Proposition S (approved by voters in 1998) as it relates to hotel and motel conversions.

Name of Public Agency Approving Project: City of Escondido

Name of Person or Agency Carrying Out Project:

Name: City of Escondido Planning Division

Telephone: 760-839-4671

Address: 201 N, Broadway, Escondido, CA 92025

Private entity School district Local public Agency State agency Other
special district

Exempt Status:

The project is categorically exempt pursuant to CEQA Guidelines section 15301 (Existing Facilities)

Reasons why project is exempt:

The ordinance establishes procedures and requirements for conversions of existing commercial structures (hotels and motels) into residential uses, and allows minor expansions to said structures. Individual projects undertaken in reliance upon the amendment would be subject to independent review under CEQA.

Lead Agency Contact Person: Adam Finestone

Area Code/Telephone/Extension: 760-839-4671

Signature: _____
Adam Finestone, AICP
City Planner

Date

Signed by Lead Agency
 Signed by Applicant

Date received for filing at OPR:



PLANNING COMMISSION

Agenda Item No.: G.2
Date: June 22, 2021

PROJECT NUMBER / NAME: PL 21-0227 / Ground-Floor Retail Requirement, Downtown Specific Plan Amendment

REQUEST: A proposed amendment to the Downtown Specific Plan to change zoning regulations to require ground-floor commercial uses only at key locations or preference areas based on context or planning objectives rather than as a blanket requirement to ensure future projects are feasible and the desired community character is preserved.

LOCATION: Downtown Specific Plan area

APPLICANT: City of Escondido

APN / APNS: N/A

PRIMARY REPRESENTATIVE:
Planning Division

GENERAL PLAN / ZONING: SPA 9 / S-P

DISCRETIONARY ACTIONS REQUESTED: Specific Plan Amendment

PREVIOUS ACTIONS: N/A

PROJECT PLANNER: Mike Strong, Director of Community Development
mstrong@escondido.org

CEQA RECOMMENDATION: Adopt a Second Addendum (“Addendum”) to the 2012 Final Escondido General Plan Update, Downtown Specific Plan Update, and Climate Action Plan Environmental Impact Report.

STAFF RECOMMENDATION: Provide a recommendation to City Council to approve the Project.

REQUESTED ACTION: Approve Planning Commission Resolution No. 2021-07

CITY COUNCIL HEARING REQUIRED: YES NO

REPORT APPROVALS:

Mike Strong, Community Development Director
 Adam Finestone, City Planner

A. BACKGROUND:

First approved by the City Council in the 1980s, the Downtown Specific Plan (“DSP”) has been amended over the years in response to a particular community interest or to accommodate new development. However, the specific plan’s primary purpose remains the same: to provide a comprehensive plan for land use, development regulations and incentives, design guidelines and strategies directed at facilitating a dynamic city center and downtown environment. The DSP currently encompasses approximately 475 acres extending from I-15 and West Valley Parkway to Fig Street, between Washington and Fifth Avenues including the urban core along Grand Avenue. In 2012, there were approximately 1,200 dwelling units existing in the DSP planning area. Since then, only 185 units have been constructed within the DSP.

In 2013, an amendment to the DSP (Planning Case no. PHG 13-0018) increased the boundaries of the planning area by adding approximately 58 acres by rezoning adjacent properties. The amendment also updated residential densities by increasing the maximum density permitted in some areas from 45 dwelling units to 75 or 100 dwelling units per acre. Among other things, the objectives of the Downtown Specific Plan Amendment were to create a development scheme that encourages economic development and vitality in a more urban environment. Overall, the 2013 DSP Amendment maintained a buildout of 5,275 dwelling units in the downtown area for the planned horizon year of 2035 as previously analyzed in the certified Final EIR. As of this writing, there are 900 dwelling units approved, but not built. Another 222 dwelling units are still in the entitlement phase. The current remaining balance of available residential units within the DSP is 3,764 units.

Given the City’s built-out character, most of the goals and policies in the existing DSP continue to represent the City’s position on growth and development issues in the downtown area. The overall goals of the General Plan are to preserve and enhance the “downtown core” character of area. The DSP includes a Land Use Map that identifies the types of uses and densities/intensities of use permitted within the area. Portions of the DSP have nonresidential zones where residential densities are permitted or allowed. However, the zoning requires ground-floor uses in a storefront location limited to retail-serving or office uses only, and residential uses permitted only above or behind a primary use. It may be difficult, however, to market and develop a property with these blanket ground-floor commercial requirements because there is a finite economic market available to support providing additional commercial services. Mixed-use development thrives when it is focused in a compact area, not over lengthy corridors, as is currently mandated in the DSP.

Government Code section 65583 requires that the City’s Housing Element be updated to include the identification of sites with appropriate zoning, development standards, services, and facilities to accommodate the jurisdiction's Regional Housing Needs Assessment (“RHNA”) for each income level and to assist in the development of adequate housing to meet the needs of lower- and moderate-income households. Among other things, as part of the Housing Element Update process, the City needs to analyze current market conditions and prepare a housing needs assessment and constraints analysis. The analysis of constraints includes an evaluation of land

use controls, fees and exactions, permits and processing procedures, and related impacts on housing development. The purpose of this constraints analysis is to identify nongovernmental and governmental factors that inhibit the development, maintenance, or improvement of housing. A thorough understanding of the constraints to development can help to create appropriate policy responses to mitigate constraints and make it easier and more affordable to develop housing.

Land use controls provided in the Escondido General Plan and the Zoning Code influence housing production in the City in several ways. The permitted and conditionally permitted uses in each zoning district guide new development and provide both developers and the public with an understanding of how vacant and underutilized land will develop in the future. This includes the density of development that will occur within a particular land use designation or zoning district. Because the ground-floor requirement has effectively delayed the turn-over recycling of properties, and the build-out of dwelling units in the DSP, the City needs to amend zoning regulations to require ground-floor commercial uses only at key locations or preference areas based on context or planning objectives rather than as a blanket requirement to ensure future projects are feasible and the desired community character is preserved. In order to effectively implement reductions in the areas that require ground-floor retail, Figure II-4 of the Downtown Specific Plan needs to be amended to show new locations where residential use may be permitted, and under what terms and limitations. Therefore, the Project consists of a map amendment to Figure II-4 of the Downtown Specific Plan to require ground-floor commercial uses only at key locations. Specific Plan text amendments are also proposed as ancillary, in reference of support of the map amendment.

B. SUMMARY OF REQUEST:

This Agenda Report recommends the adoption of a map amendment to Figure II-4 of the DSP to require ground-floor commercial uses only at key locations. The DSP amendment proposes to eliminate the ground-floor requirement in other areas where standalone residential uses would not be detrimental to the surrounding commercial districts and goals of the DSP.

C. SUPPLEMENTAL DETAILS OF REQUEST:

Mixed-use development is an example of flexible zoning which allows various types of land uses, most often referred to as residential and commercial uses to be combined in a single development district or site. Mixed-use developments can range in size from single buildings to large-scale projects. A major purpose and benefit of mixed-use zoning is to allow a balance of business, services, entertainment, and urban residential activities in close proximity to one and another. The success of mixed-use zoning is enhanced in its implementation by having a greater number, and a diverse population of residents.

Understanding the existing housing market and business climate and its future potential is essential in overcoming barriers that exist for new investors and housing developers. Mixed-use projects are more complex and may not provide the same return on investment as standalone residential projects. There are usually higher costs because of different design features, larger

construction financing gaps with different financing tools and underwriting standards, and unproven market demand. California Government Code sections 65583(a)(5) and 65583(a)(6) require agencies to prepare an update Housing Elements to analyze governmental constraints on the maintenance, improvement, and development of housing for all income levels. Constraints may include zoning regulations and other land use controls, permitting procedures, design review requirements, building codes, site improvements, fees and other exactions required of developers. While these measures are often important to ensure public health and protect the quality of life, they can also add to the cost of housing.

The DSP identifies a ground-floor retail requirement along most of Centre City Parkway, Quince Street, Escondido Boulevard, Broadway, Washington Avenue, Valley Parkway, 2nd Avenue, etc. The existing standards prohibit residential uses on the ground-floor facing the street, but do not indicate the minimum percentage of ground-floor commercial space that must be provided. As a result, many land use development proposals are infeasible, or result in development projects that have shallow storefronts, with ground-floor residences immediately behind them. With the land use policy being identified as a potential constraint to housing development, the City must address, and where feasible, remove the constraints since they are barriers to housing production and/or conservation. Amending the DSP to eliminate the ground-floor retail requirement in some areas will remove constraints to housing development and encourage more near-term redevelopment.

D. PROJECT ANALYSIS:

The DSP area was established to encourage the downtown area to be a high density, mixed-use urban center and a primary hub for business, services, entertainment, and urban residential activities. However, the DSP area is currently a product of historical land use decisions and functions. Historically, the downtown has served more as a retail and office destination.

The locations for residential land uses is regulated by Figure II-4 of the DSP. The map currently identifies four categories for residential land uses: 1) No Residential Permitted; 2) Ground Floor Residential Allowed with Permit; 3) Residential Only: No Commercial Permitted; and 4) Ground Floor Retail or Office Required: Residential Allowed Above. A copy of the map of locations for residential land uses is provided as Attachment 2. The map shows locations for residential land uses established at the time the DSP was approved. Since that time, at least four amendments to the map have been approved to allow ground-floor residential uses at specific locations in order to accommodate particular development applications. Centre City Parkway, Quince Street, Escondido Boulevard, Broadway Avenue, Washington Avenue, Valley Parkway, and 2nd Avenue all are characterized by continuous retail and/or office uses.

The DSP policies and standards need to be updated to reflect new development priorities, changes in market trends, and a need to bring more housing to the area. One of the goals of the DSP is to expand downtown properties towards a mix of different uses and encourage people to live in commercial areas. For a downtown to continue its recent success, and develop a wider range of business, services, and entertainment, a residential base is necessary.

Because the ground-floor requirement has effectively delayed the turn-over recycling of properties, and the build-out of dwelling units in the DSP, the City needs to amend zoning regulations to require ground-floor commercial uses only at key locations or preference areas based on context or planning objectives rather than as a blanket requirement to ensure future projects are feasible and the desired community character is preserved.

In order to effectively implement reductions in the areas that require ground-floor retail, Figure II-4 of the Downtown Specific Plan needs to be amended to show new locations where residential use may be permitted, and under what terms and limitations. Therefore, the Project consists of a map amendment to Figure II-4 of the Downtown Specific Plan to require ground-floor commercial uses only at key locations. Specific Plan text amendments are also proposed as ancillary, in reference of support of the map amendment. Exhibit “B” to draft Planning Commission Resolution No. 2021-07 has been prepared to include revisions to the map and new text. The following table summarizes the existing/proposed zoning districts and highlights the proposed map and text changes associated with the proposed DSP Amendment.

District	Purpose	Status and Proposed Change	Notes
No Residential Permitted	The purpose of the commercial zoning district is to provide for the employment, business, office, government services, and recreation needs of the residents of and visitors to the City. To date, retail uses and activities have given the downtown an energetic and vibrant feel, while office uses continue to serve as anchors for economic stability.	No change.	The description of the district and how it is conveyed to be located within the planning area is not proposed to change through the proposed DSP Amendment.
Ground Floor Residential Allowed	Areas designated as “ground-floor residential allowed” gives the property owner the flexibility and choice to determine how best to develop their property: as standalone residential, commercial, or mixed-use projects.	Proposed map amendment.	The location and spatial extent of the district is proposed to be changed, as reflected in Exhibit “B” to draft Planning Commission Resolution No. 2021-07. Areas along Centre Quince Street, 5 th Avenue, southern portion of Escondido Boulevard, and the eastern and western anchors of Valley are all proposed to be converted from “ground-floor retail required” to “ground-floor residential allowed,” thereby increasing the amount of properties that may build standalone residential projects.
Interim Ground Floor Residential Allowed	City staff proposes a new ground-floor retail zoning district to permit residential uses, with supplemental design criteria, in areas where there is currently a ground-floor retail requirement.	Proposed map and text amendments.	As proposed, a new district would be created (map and text) so that ground-floor residential use may be permitted, subject to design review by the Planning Commission. The locations identified include the northern parts of Escondido Boulevard and Broadway, Washington Avenue, and eastern part of Valley Parkway, thereby increasing the

			<p>amount of properties that may build standalone residential projects. The proposed change does not negatively affect the nature of the existing rights of the property owner. Rather the land use policy change and supplemental design criteria adds more flexibility and provides more opportunities to how the property may redevelop.</p> <p>New land use development projects must meet and maintain a higher standard of quality of building design to ensure land use compatibility and to facilitate potential adaptive re-use of the ground-floor space for commercial use. Therefore, new text is proposed to the DSP to support the proposed map amendment. As proposed in Exhibit "C" to draft Planning Commission Resolution No. 2021-07, an area, room, or space that is intended to be occupied at different times for different purposes shall comply with all applicable requirements for building multi-use and various occupancy. Specific criteria shall be used to implement the proposed DSP amendment to determine if interim ground-floor residential uses are appropriate, as follows:</p> <ul style="list-style-type: none">✓ The project provides places of interaction with small plazas and courtyards or cafe seating to help animate the street.✓ The exterior and interior design of the first floor is designed to be retail-ready with an interior ground-floor height of 16 feet, a minimum unit depth of the greater of 25 feet or 25% of building depth, and oversized storefront windows accommodated on the ground-floor facing the public right-of-way.✓ Place shared amenities such as workout rooms, game rooms, and other social facilities where they will be visible from street view on the ground-floor.✓ The building standards applied to the ground-floor space must adhere to the most restrictive use and occupancy classification anticipated based on the purpose or purposes for which they are or may be used; and shall comply with the rating that reflects multiple occupancy groups so that an area, room, or space
--	--	--	--

			may be occupied at different times with different uses.
Residential Only	Areas designated for “residential only” allows for the construction of homes or other dwelling units.	Adopted, no change.	The description of the district and how it is conveyed to be located within the planning area is not proposed to change through the proposed DSP amendment.
Ground Floor Retail or Office Required	The intent of the ground-floor retail zoning district is to create, maintain, and enhance areas of the urban core for ground-level, pedestrian-oriented, active storefront uses. Upper story spaces are intended to be available for a wide range of office and residential activities. To date, most properties have not recycled as mixed-use projects and continue to offer retail and office-based uses.	Adopted, with a proposed map amendment.	The location and spatial extent of the district is proposed to be reduced. Areas along northern parts of Escondido Boulevard and Broadway, Washington Avenue, and eastern part of Valley Parkway are all proposed to be converted from “ground-floor retail required” to “interim ground-floor residential.” Areas along Centre Quince Street, 5 th Avenue, southern portion of Escondido Boulevard, and the eastern and western anchors of Valley are all proposed to be converted from “ground-floor retail required” to “ground-floor residential allowed.”

Once adopted, no application to construct a new dwelling unit shall be accepted for processing or approved, unless the proposed land use development application is in conformance with the new land use policies. The provisions of the ordinance would only apply to all dwelling units proposed to be constructed, whether by new construction or rehabilitation, after the adoption of the ordinance, unless specifically exempted. The draft ordinance presented to the City Council will also include a provision that the ordinance would not apply to land use development applications for which (1) a request for a development permit was filed with and accepted by the Community Development Department, and deemed complete pursuant to Government Code section 65943, prior to adoption of the ordinance, or (2) a preliminary application for a housing development project meeting the criteria of Government Code section 65941.1 was submitted prior to adoption of the ordinance.

1. General Plan Conformance:

a) Land use and density consistency

How land uses are arranged in a community helps establish a community’s identity and character, and many agencies are finding that housing is an essential element in revitalizing downtown districts. A healthy residential component to a downtown area generates customers for commercial uses, and a constant flow of foot traffic supports nearby retailers, services, entertainment, and other businesses that are part of a desirable downtown economy. By incorporating a higher density of residents in the downtown mix, the amount of activity increases, which in turn creates even more vibrancy. By offering investors and affordable housing developers a tool to increase density in areas that is prime for development and supported by existing infrastructure, the City would be supporting smart growth principles. The proposed amendment to

the DSP could help accommodate the City's share of future regional housing needs with a greater mix of housing types and choices, by removing regulatory constraints to housing development in smart growth locations rather than sprawl, which benefits the City as a whole.

The proposed amendment to the DSP would not change adopted residential densities, but would provide more flexibility for property owners to determine how best to develop their property: as standalone residential, commercial, or mixed-use projects. The DSP proposal seeks to identify appropriate areas in Figure II-4 (Locations for Residential Land Uses) to modify the regulatory control over locations for residential land uses, which could lead to more standalone residential development. With a continued focus on building and site design standards on the ground-level, the DSP's build-out would reduce blanket ground-floor retail requirements and attract more residential projects in appropriate locations.

In general, the goals identified in the Land Use and Community Form Element of the General Plan help foster Escondido's role as the vibrant and dynamic cultural, economic, and recreational hub of inland North San Diego County. The Land Use Element goals and policies that staff believes pertain to the Project are provided in Attachment 1 and may be utilized to assist in determining General Plan consistency. There may be different goals and policies that apply; the list need not include all the applicable policies for the Planning Commission to find conformance.

b) Housing Element

In terms of demonstrating consistency with the Housing Element of the General Plan, residential growth requires expanding the existing housing stock by encouraging and securing multi-family development. The DSP would be amended to facilitate the production of housing, streamline the development review process, and mitigate unnecessary governmental constraints to the maintenance, improvement, and development of housing. Under Government Code section 65583(c)(3), agencies must address, and where feasible, remove the constraints since they are barriers to housing production and/or conservation. And it is useful to periodically re-examine local ordinances and policies to determine whether, under current conditions, they are accomplishing their intended purpose or constitute a barrier to housing production and conservation. In terms of demonstrating consistency with the Housing Element of the General Plan, residential growth requires expanding the existing housing stock by encouraging and securing multi-family development. One of the ways to encourage multi-family development is to ensure the financial viability of the development project by increasing density where desired, but not increasing the overall planned density for the area. Additional analysis is provided in Attachment 1.

2. Zoning or Specific Plan Conformance:

The purpose of the Specific Plan (S-P) Zone is to implement various policies within the General Plan which permit residential, industrial, and commercial development through specific plans pursuant to Government Code Section 65450. Development standards for property zoned S-P shall be established by a specific plan.

The DSP Area comprises seven (7) districts (Figure II-1). Permitted or conditionally permitted land uses in those districts are identified in the 'Permitted and Conditional Uses' Matrix (Figure II-2). Land uses are intended to support the vision for downtown and for each district as presented in Chapter V. One of the goals of the DSP is to place "higher residential densities in key locations that support Downtown non-residential uses" (Page I-2 – Downtown Specific Plan Strategic Goals). To facilitate residential development, this DSP amendment proposes a variety of changes to the districts, within the S-P Zone, all to encourage housing production and to expand on market opportunities. Today, cities and counties of all sizes have implemented plans to re-invest and re-grow their downtowns. Many agencies are finding that housing is an essential element in revitalizing downtown districts. A healthy residential component to a downtown area generates customers, and a constant flow of foot traffic supports nearby retailers, services, entertainment, and other businesses that are part of a desirable downtown economy. Added density would attract people, which would attract business. Bringing more people to the area may spur more building renovations and translate into more demand for commercial uses to support higher number of people coming to the area. The amount of activity would increase, which in turn would create more vibrancy and solidify it as a destination capable of attracting visitors on a regional scale. This outcome would facilitate implementation of the DSP strategic goals to create an "economically viable downtown with an appropriate mix of retail, office, residential, entertainment, and cultural uses" (Page I-2).

3. Climate Action Plan Consistency:

The DSP amendment would not, in and of itself, result in impacts to air quality greenhouse gas emissions. This DSP amendment proposes a variety of changes to the zoning districts, all to encourage housing production. All future development would require project-specific environmental evaluation in order to determine that any potential impacts are less than significant, including adherence to the City's Climate Action Plan Consistency Checklist. At such time that a development proposal is considered, that project would be subject to adopted development guidelines/standards and any impacts identified with the development project would be addressed, specific to the impact.

E. FISCAL ANALYSIS:

Governmental policies and regulations can result in both positive and negative effects on the availability and affordability of housing. Potential constraints to housing include land use controls (through General Plan policies and zoning regulations), development standards, infrastructure requirements, development impact fees, and the development approval processes. While government policies and regulations are intended to serve public objectives and further the public good, the City of Escondido recognizes that its actions can potentially constrain the availability and affordability of housing to meet the community's future needs. It is anticipated that removing barriers to housing development would be fiscally positive for the City as it would lead to economic development and development services activity. It can generate more jobs, maintain or increase home values, lead to development fee contributions and/or improvements to road conditions and utilities, which reduced the financial burdens of the City.

F. ENVIRONMENTAL STATUS:

The 2012 General Plan Update, Downtown Specific Plan Update and Climate Action Plan Program EIR ("Final EIR") was certified on May 23, 2012, by the Escondido City Council (SCH #2010071064). Pursuant to CEQA, when taking subsequent discretionary actions in furtherance of a project for which an EIR has been certified, the lead agency is required to review any changed circumstances or new information to determine whether any of the circumstances under Public Resources Code section 21166 and CEQA Guidelines section 15162 require additional environmental review. City staff evaluated the Project, and all aspects of the changes, in light of the standards for subsequent environmental review outlined in Public Resources Code section 21166 and CEQA Guidelines section 15162. City staff concluded that the EIR fully analyzed and mitigated, where feasible, all potentially significant environmental impacts, if any, that would result from the revised Project, and therefore, no subsequent EIR or mitigated negative declaration is required. On that basis, City staff has prepared an Addendum for the changes, pursuant to CEQA Guidelines section 15164. (The Addendum is provided as Exhibit "C" to draft Planning Commission Resolution No. 2021-07.)

The first addendum to the Final EIR was prepared for the Downtown Specific Plan Density Transfer Program, which was adopted by City Council Resolution 08-62 on August 19, 2008. This Second Addendum ("Addendum") to the Final EIR has been prepared provide updated information to the previously-certified Final EIR. Aside from the update of Figure II-4 of the Downtown Specific Plan, and ancillary text amendments for reference in support, there are no substantial changes in the Downtown Specific Plan.

The Addendum is appropriate pursuant to CEQA Guidelines section 15164 because only minor changes and additions to the Final EIR are necessary to address the Project changes and no circumstances exist calling for the preparation of a subsequent or supplemental EIR pursuant to CEQA Guidelines sections 15162 and 15163. The proposed Addendum concluded that there are no substantial changes to the circumstances under which the proposed Specific Plan amendment

is undertaken that would require major revisions to the Final EIR. There is no new information of substantial importance which was not known or could not have been known at the time the Final EIR was certified that shows the proposed Specific Plan amendment would have significant effects not discussed previously; a substantial increase in severity of a previously identified significant impact; mitigation measures or alternatives previously found infeasible that would now be feasible and would substantially reduce one or more significant effects; or mitigation measures or alternatives which are considerably different from those analyzed in the Final EIR which would substantially reduce one or more significant effects on the environment. The Specific Plan amendment would not result in new or more severe impacts beyond those addressed in the Final EIR, and would not meet any other standards for requiring further environmental review under State CEQA Guidelines Sections 15162 and 15163. No further analysis is required.

G. PUBLIC INPUT:

The City conducted outreach as part of the Housing and Community Investment Study (“HCIS”), which includes the development of an updated Housing Element, Sector Feasibility Study, and an East Valley Specific Plan. During the course of the HCIS, the City worked with development experts, community-based interest groups, stakeholders, and the community at large. During Housing Element-related work sessions, it was discussed that ground-floor retail space in mixed-use projects was harder to rent than free standing commercial space, and sometimes consisted of awkwardly configured floor plans. Some builders also pointed to empty storefronts in the downtown area, on the blocks near proposed developments as evidence of the difficulties of filling ground-floor retail. It was mentioned that relaxing the ground-floor requirement under today’s market conditions, would bring more residential projects to the area. More residential density could bring more opportunities to fill those same vacancies with active uses allowing retail to flow back into the area once there is a density of people and workers to support it.

Working with existing businesses, investors, and developers to determine their needs and concerns has been helpful to ensure that property owners are able to respond to market opportunities, which could lead to more businesses to be able to survive in a changing market place. Eliminating the ground-floor retail requirement would help fill ground floor space in the downtown area. In areas where interim ground-floor residential would be allowed, there would be a focus on building and site design standards that may translate into more ground floor space being converted back into a retail use to support the higher number of people coming to the area.

H. CONCLUSION AND RECOMMENDATION:

Pursuant to Government Code section 65453, a specific plan shall be prepared, adopted, and amended in the same manner as a General Plan. In accordance with Section 33-1262 of the Zoning Code, the Planning Commission is the authorized agency for reviewing and providing such recommendations to the City Council on amendments and zone changes. The Planning Commission is being asked to consider the Amendment to the DSP and the supporting Addendum to the previously approved EIR and provide comments to the City Council. The proposed amendment is consistent with the General Plan and vision of the DSP. Staff recommends that

Project Name: Ground-Floor Retail Requirement Amendment
Planning Commission Meeting
Date: June 22, 2021

the Planning Commission recommend approval of Planning Case No. PL 21-0227 based upon the factors/findings and conditions contained in the attached draft Planning Commission Resolution No. 2021-07 (Attachment 3).

ATTACHMENTS:

1. General Plan Consistency Analysis
2. Existing Residential Locations Map (Figure II-4 of the DSP), Adopted 2012
3. Draft Planning Commission Resolution No. 2021-07

ATTACHMENT 1

PL 21-0227: Ground Floor Retail Amendment

General Plan Consistency Analysis

California Government Code section 65450 to 65554 allows for the adoption, update, and administration of specific plans as an implementation tool for elements contained in a jurisdiction's General Plan. State law requires that Specific Plans must demonstrate consistency with goals, objectives, policies and programs of a jurisdiction's General Plan. To ensure that the proposed Downtown Specific Plan ("DSP") amendment is consistent with City of Escondido's General Plan, a review was done of the existing General Plan for any relevant goals and policies. This review revealed the Specific Plan and the General Plan to be complementary and consistent.

The following section provides analysis of applicable General Plan goals and provides discussion regarding consistency with the DSP amendment. Goals and policies in the General Plan that are not applicable to the DSP amendment are not included.

- Community Character Policy 1.3 Focus development into areas where land use changes achieve the community's long-term goals. Facilitate development that is consistent with the build out vision for each area through incentive programs and efficient administrative and discretionary approval processes for plot plans, Planned Developments, Area Plans, Specific Plans, and Zoning Overlays.
- Community Character Policy 1.5 The city should maintain its single-family residential development pattern, except in locations such as the downtown, along major transportation corridors, and around commercial and public activity centers, where higher densities are more appropriate.
- Community Character Policy 1.8 Require development projects to locate and design buildings, construct energy and water efficient infrastructure, reduce greenhouse gas emissions, enhance community livability and economic vitality, and implement other practices contributing to sustainable resources.
- Community Character Policy 1.9 Require that development in downtown, at transit stations, and other key districts accommodate a mix of land uses and configure uses to promote walkability, bicycling, and transit uses, reducing the need for the automobile.
- Land Use Zoning Policy 2.4 Consider locational and operational characteristics of existing and proposed land uses, as well as the surrounding zoning patterns, when establishing zoning and overlay designations to ensure compatibility and appropriateness. Residential Development Policy 3.7 No permits shall be approved for the development of any lot which is not consistent with the density restrictions of the General Plan...

- Neighborhood Maintenance & Preservation Policy 4.2 Residential neighborhoods shall be protected from the encroachment of incompatible activities or land uses such as heavy service commercial businesses which may have a negative impact on the residential living environment.
- Mixed Use Overlay Policy 7.1: Designate areas for the development of mixed-use projects in a pedestrian-friendly environment integrating housing with retail, office, and service uses (childcare, health, etc.) consistent with the General Plan's vision and long-term growth needs.
- Mixed Use Overlay Policy 7.2 Establish guidelines and standards for mixed-use development through Area Plans that include but are not limited to; minimum density and intensity requirements; landscaping and open space, allowable uses; building heights; and any shared parking standards consistent with Figure II-6.
- Housing Policy 1.1 Expand the stock of all housing while preserving the health, safety, and welfare of residents, and maintaining the fiscal stability of the city.
- Housing Policy 1.3 Channel residential growth to areas where the concurrent provision of services and facilities, including schools, parks, fire and police protection, and street improvements can be assured.
- Housing Policy 1.4 Encourage a compact, efficient urban form that conserves land and other natural and environmental resources, and that promotes transit, supports nearby commercial establishments, and takes advantage of infrastructure improvements installed to accommodate their intended intensities.

In general, the goals identified in the Land Use / Community Form Element foster Escondido's role as an urban center. For example, Community Character Policy 1.3 focuses development into areas where land use changes achieve the community's long-term goals. It also states that the City should facilitate development that is consistent with the build out vision for each area through incentive programs. By targeting housing accommodation incentives in the urban center, the City should be able to maintain its single-family residential development pattern elsewhere, which is desired under Community Character Policy 1.5, Land Use Zoning Policy 3.7, and Neighborhood Maintenance & Preservation Policy 4.2.

The proposed amendment to the DSP strives to achieve these objectives by increasing the utilization of its land base and allow residential in ground-floor spaces based on market conditions. Increasing growth in infill areas of the City near public transportation hubs will reduce dependence on the use of private automobiles, reduce vehicle miles traveled (VMT) per household, reduce the use of fossil fuels, improve energy efficiency, reduce carbon dioxide emissions, and help meet air quality standards. This helps address Community Character Policies 1.8 and 1.9.

The DSP consists of districts containing a mix of uses enabling residents to live close to their jobs, shopping, entertainment, and recreation, reducing the need to use the automobile and promoting walking and healthy lifestyles. The Specific Plan amendment helps advance the development of mixed-use projects in a pedestrian-friendly environment (Mixed Use Overlay Policy 7.1) and, as proposed, establishes guidelines and standards for mixed-use development (Mixed Use Overlay Policy 7.2). Mixed-use thrives when it is focused in a compact area, not over lengthy corridors, as is currently mandated in the DSP

Unlocking housing development opportunities would likely increase access to affordable housing. Access to affordable housing improves community members' ability to improve their economic status, reduces poverty and homelessness, and promotes social integration. A strong and affordable housing environment is critical to meeting Goal 1 et. seq. policies of the Housing Element portion of the General Plan, as well as the economic well-being and growth of Escondido and its residents.

As made evident by the list of General Plan policies above, the DSP amendment is in conformance with a range of General Plan policies related to the provision of standalone residential land uses within the downtown area. Since the ground-floor requirement has effectively delayed the build-out of dwelling units in the DSP, the City needs to amend zoning regulations to require ground-floor commercial uses only at key locations or preference areas based on context or planning objectives rather than as a blanket requirement to ensure future projects are feasible and the desired community character is preserved.

ATTACHMENT 2
PL 21-0227: Ground Floor Retail Amendment
Existing Residential Locations Map (Figure II-4 of the DSP), Adopted 2012

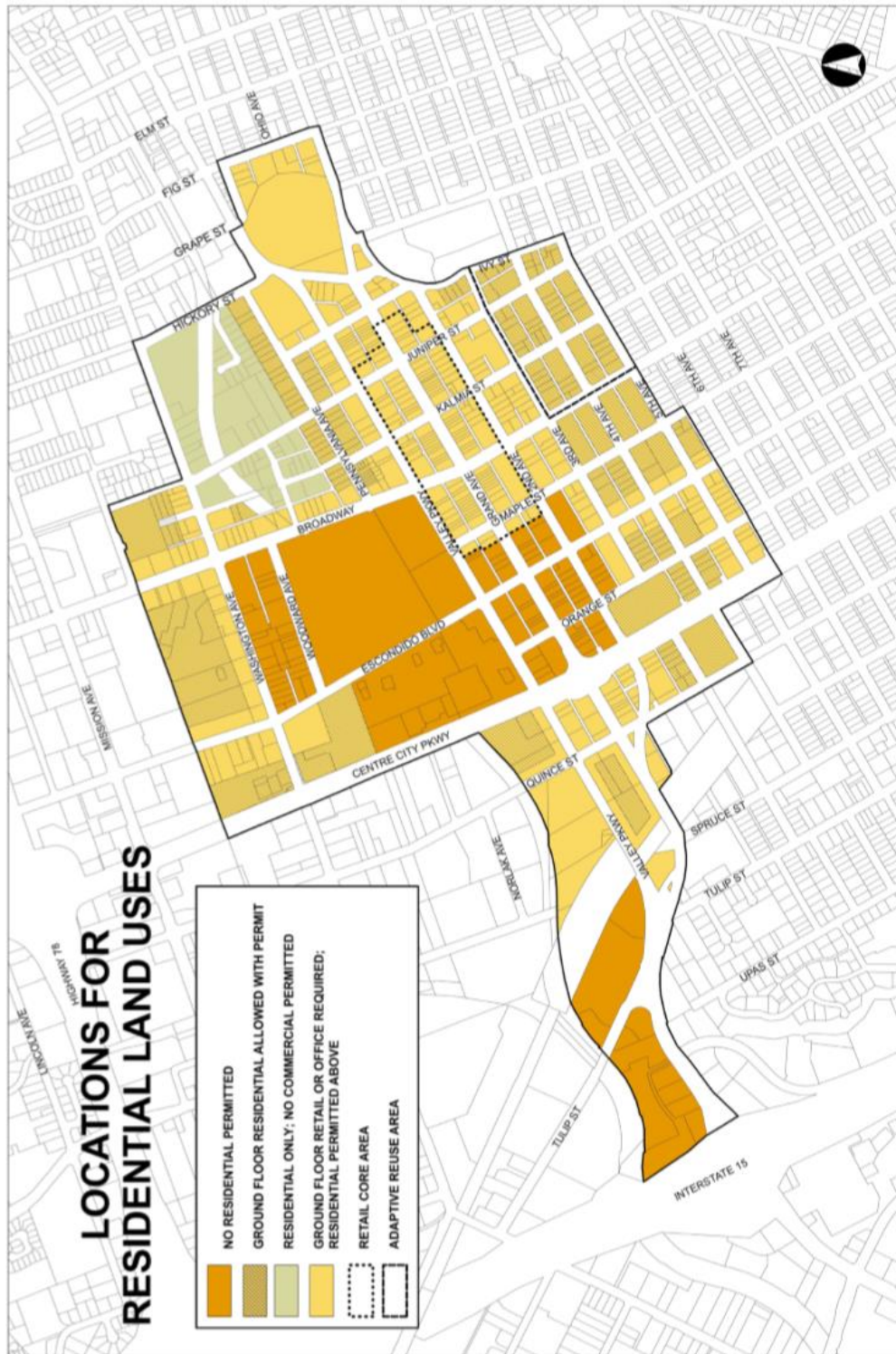


FIGURE II-4

ATTACHMENT 3

Planning Commission
Hearing Date: June 22, 2021
Effective Date: June 23, 2021

PLANNING COMMISSION RESOLUTION NO. 2021-07

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ESCONDIDO, CALIFORNIA, RECOMMENDING APPROVAL OF AN AMENDMENT TO THE DOWNTOWN SPECIFIC PLAN TO ADDRESS GROUND-FLOOR RETAIL REQUIREMENTS AND ADOPTING AN ADDENDUM TO AN ADOPTED EIR PREPARED FOR THE PROJECT.

APPLICANT: City of Escondido

CASE NO: PL 21-0227

WHEREAS, in recent years, there have been considerable discussions throughout the State of California regarding the housing shortage, which is associated with rising housing costs and lack of affordable housing options; and

WHEREAS, land use controls provided in the Escondido General Plan and the Zoning Code influence housing production in the City in several ways. The permitted and conditionally permitted uses in each zoning district guide new development and provide both developers and the public with an understanding of how vacant and underutilized land will develop in the future. This includes the density of development that will occur within a particular land use designation or zoning district; and

WHEREAS, Government Code section 65583(c)(3), requires that cities and counties address, and where feasible, remove the constraints to housing production and conservation; and

WHEREAS, ground-floor restrictions on residential uses is construed as a constraint to housing development because the ground-floor requirement has effectively delayed the turn-over recycling of properties, and the build-out of dwelling units in the Downtown Specific Plan; and

WHEREAS, pursuant to CEQA and the CEQA Guidelines (Title 14 of California Code of Regulations, Section 15000 et. seq.), the City is the Lead Agency for the Project, as the public agency with the principal responsibility for approving the proposed Project; and

WHEREAS, on May 23, 2012, the City Council adopted Resolution No. 2012-53 approving the General Plan Update, Downtown Specific Plan Update, and Climate Action Plan and certifying and approving the Final Environmental Impact Report, CEQA Findings, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program for the Project; and

WHEREAS, the first addendum to the Final EIR was prepared for the Downtown Specific Plan Density Transfer Program, which was adopted by City Council Resolution 2019-69 on May 1, 2019; and

WHEREAS, pursuant to CEQA, when taking subsequent discretionary actions in furtherance of a project for which an EIR has been certified, the lead agency is required to review any changed circumstances to determine whether any of the circumstances under Public Resources Code section 21166 and CEQA Guidelines section 15162 require additional environmental review; and

WHEREAS, City staff evaluated the environmental impact of the proposed modifications to the Project in light of the standards for subsequent environmental review

outlined in Public Resources Code section 21166 and CEQA Guidelines section 15162;
and

WHEREAS, based on this evaluation, staff concluded that the EIR had fully analyzed and mitigated, where feasible, in compliance with CEQA, all potentially significant environmental impacts, if any, that would result from the Project modifications, that the impacts to the environment as a result of the modifications are consistent with and would not create substantial new or increased impacts beyond those that were evaluated in the EIR, and that, therefore, no subsequent EIR or mitigated negative declaration is now required; and

WHEREAS, as a result of the proposed modifications to the Project, and to document staff's evaluation of the environmental impact of said modifications, staff prepared Addendum #2 to the Final EIR pursuant to CEQA Guidelines section 15164;
and

WHEREAS, the Planning Commission has reviewed and considered the information, findings, and conclusions contained in Addendum#2, including without limitation the EIR and supporting documents; and

WHEREAS, the Planning Division studied the Application, performed necessary investigations, prepared a written report, and hereby recommends approval of the Project with the map changes shown in Exhibit "B" and with new text depicted in Exhibit "C," which are attached hereto and made a part hereof by this reference as though fully set forth herein; and

WHEREAS, City staff provided public notice of the application in accordance with City and State public noticing requirements; and

WHEREAS, on June 22, 2021, the Planning Commission held a duly noticed public hearing as prescribed by law, at which time the Planning Commission received and considered the reports and recommendation of the Planning Division and gave all persons full opportunity to be heard and to present evidence and testimony regarding the Project. Evidence was submitted to and considered by the Planning Commission, including, without limitation:

- a. Written information including plans, studies, written and graphical information, and other material, submitted by the Applicant;
- b. Oral testimony from City staff, interested parties, and the public;
- c. The staff report, dated June 22, 2021, with its attachments as well as City staff's recommendation on the Project, which is incorporated herein as though fully set forth herein; and
- d. Additional information submitted during the public hearing; and

WHEREAS, the public hearing before the Planning Commission was conducted in all respects as required by the Escondido Municipal Code and the rules of this Planning Commission.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Escondido:

1. Record and Basis for Action. The Planning Commission has considered the full record before it, which may include but is not limited to such things as

the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

2. Compliance with CEQA. State CEQA Guidelines section 15164 requires lead agencies to prepare an addendum to a previously certified EIR if some changes or additions to the project are necessary, but none of the conditions requiring preparation of a subsequent EIR are present. The Planning Commission has reviewed and considered the EIR and Addendum and finds that those documents taken together contain a complete and accurate reporting of all of the environmental impacts associated with the revised Project. The City Council further finds that the Addendum and administrative record have been completed in compliance with CEQA, the State CEQA Guidelines, and that the EIR and Addendum, taken together, reflect the Planning Commission's independent judgment.

3. Based upon the evidence submitted and as demonstrated by the analysis included in the Addendum, which is attached hereto as Exhibit "D," none of the conditions described in Sections 15162 or 15163 of the CEQA Guidelines calling for the preparation of a subsequent or supplemental EIR or negative declaration have occurred; specifically:

- A. The proposed modifications to the Project do not create substantial changes that would require major revisions to the EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and

- B. The proposed modifications to the Project do not create substantial changes with respect to the circumstances under which the Project is undertaken that will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and
- C. There is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the EIR was certified as complete and adopted, that shows any of the following: (A) the modifications will have one or more significant effects not discussed in the certified EIR; (B) significant effects previously examined will be substantially more severe than shown in the certified EIR; (C) mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the Project proponent declines to adopt the mitigation measure or alternative; or (D) mitigation measures or alternatives that are considerably different from those analyzed in the certified EIR would substantially reduce one or more significant effects on the environment, but the Project proponent declines to adopt the mitigation measure or alterative; and
- D. The evaluation of the proposed modifications to the Project, certified EIR, and Addenda reflects the City Council's independent judgment and analysis based on the City Council's review of the entirety of the

administrative record, which record provides the information upon which this resolution is based.

4. Pursuant to the above findings, the Planning Commission determines that the EIR, together with the Addenda, satisfy all the requirements of CEQA and are adequate to serve as the required environmental documentation for the Project and, therefore, hereby recommends that the City Council approve and adopt the Addendum for the Project.

5. After consideration of all evidence presented, and studies and investigations made by the Planning Commission and in its behalf, the Planning Commission makes the following substantive findings and determinations, attached hereto as Exhibit "A," relating to the information that has been considered. In accordance with the Findings of Fact and the foregoing, the Planning Commission reached a recommendation on the matter as hereinafter set forth.

4. That, considering the Findings of Fact and applicable law, the Planning Commission hereby makes a motion to recommend City Council approval of said amendments, attached with the map amendment provided as Exhibit "B" and the text amendments provided as Exhibit "C," both attached hereto and incorporated herein by this reference as though fully set forth herein.

EXHIBIT “A”

PL 21-0227

FATORS TO BE CONSIDERED / FINDINGS OF FACT

Specific Plan Amendment Determinations:

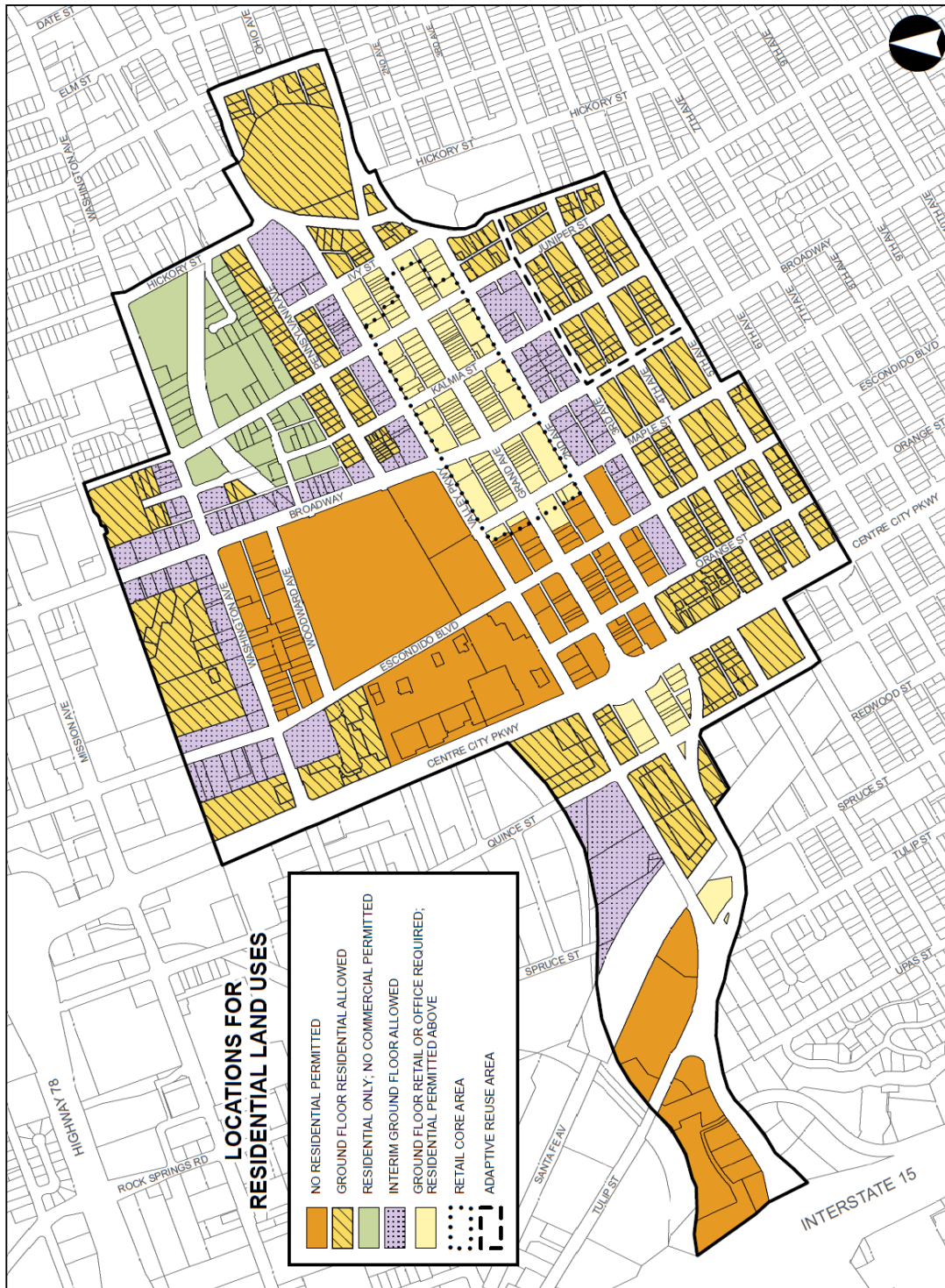
1. The State of California requires that cities and counties adopt a comprehensive long-term General Plan for the physical, social, and economic growth of the agency (Government Code section 65300). The Housing Element is one of the required elements of the General Plan (Government Code section 65302) and must address the existing and projected housing needs of all economic segments of the city or county. The State of California requires that the Housing Element include an analysis of housing needs, available resources, governmental and non-governmental constraints, and policies and programs related to the maintenance, improvement, and development housing.
2. Actual or potential constraints to the provision of housing affect the development of new housing and the maintenance of existing units for all income levels. State Housing Element law (Government Code sections 65583(a)(5 and 6)) requires cities and counties to review both governmental and non-governmental constraints to the maintenance and production of housing for all income levels. Since local governmental actions can restrict the development and increase the cost of housing, State law requires the Housing Element to “address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing” (Government Code section 65583(c)(3)). In addition, as appropriate, the Housing Element must discuss efforts to remove governmental constraints relating to the provisions of supportive housing, transitional housing, single-room occupancy, and multi-family housing.
3. Given the City’s relatively built-out character, most of the goals and policies in the existing General Plan continue to represent the City’s position on growth and development issues. The scarcity of land with adequately zoned capacity is a significant contributor to increased land prices and housing development costs. On a regional basis, a lack of adequately zoned sites exacerbates the already significant deficit of housing affordable to lower income households.
4. The Downtown Specific Plan (“DSP”) and its related goals and objectives are consistent with the General Plan. The DSP’s development standards, design standards and design criteria directly address appropriate scale and pedestrian enhancements. Design criteria addresses improvements to older or historic structures, as well as new development. Since developers of new projects must adhere to the design standards, development standards and design criteria in the DSP, the quality of new development in the Specific

Plan area is improved. Design criteria is presented in a user-friendly manner, with many photographs and diagrams. Furthermore, the design criteria directly addresses and incorporates the intent of the community design principles discussed in the General Plan.

5. Since the ground-floor requirement on many properties has effectively delayed the turn-over recycling of property(ies), and build-out of dwelling units in the DSP (as a constraint to housing development), the City needs to amend zoning regulations to require ground-floor commercial uses only at key locations or preference areas based on context or planning objectives rather than as a blanket requirement to ensure future projects are feasible and the desired community character is preserved.
6. Retail has the greatest change of success when it is clustered. This allows stores to create synergy with each other and gives shoppers a one-stop destination offering diverse experiences.
7. The Project conforms in all significant respects with the DSP. The Project would not detract from the character desired for the area. The Project would not weaken the concentration and continuity of retail facilities at ground level in the areas where it is most desired, and will not impair the retention or creation of an important shopping frontage. The proposal would not interfere with the movement of people along an important pedestrian street. To develop a wider range of business, services, and entertainment in the downtown area, a residential base is necessary. Housing is a key input in economic, social, and civic development. Many housing-related activities contribute directly to achieving broader socioeconomic development goals. Housing investment is a major driver of economic growth. Unlocking the residential potential of underutilized sites in the downtown area would generate customers for commercial uses, and a constant flow of foot traffic to support nearby retailers, services, entertainment, and other businesses that are part of a desirable downtown economy. By incorporating a higher density of residents in the downtown mix, the amount of activity increases, which in turn creates even more vibrancy.
8. The proposed amendment to the DSP could help accommodate the City's share of future regional housing needs with a greater mix of housing types and choices, by removing regulatory constraints to housing development in smart growth locations rather than sprawl, which benefits the City as a whole.

EXHIBIT "B"
PL 21-0227
SPECIFIC PLAN MAP AMENDMENT

SECTION 1. Figure II-4 of the Downtown Specific Plan: Repeal and replace existing graphic to show new locations where residential use may be permitted, and under what terms and limitations.



Objective standards applied to interim residential projects are provided in subsection (B)(13) of Chapter III (Design Policies, Standards, and Guidelines).

Project Name: Ground-Floor Retail Requirement Amendment
Planning Commission Meeting
Date: June 22, 2021

SECTION 2. Clerical Tasks.

The City Clerk be hereby authorized and directed to change any chapter numbers, article numbers, section, and page numbers in the event that the adoption of this Specific Plan amendment reveals that there is a conflict, in order to avoid confusion and possible accidental repeal of existing provisions.

EXHIBIT “C”
PL 21-0227
SPECIFIC PLAN MAP AMENDMENT

SECTION 1.

Downtown Specific Plan, Chapter III (B) (13) - Adopting in full new text to read as specified below.

13. Interim Ground-Floor Residential Policy, Standards, and Guidelines
 - a. High Quality Interim Residential Use Policy. New interim residential land use development projects must meet and maintain a higher standard of quality of building design to ensure land use compatibility and to facilitate potential adaptive re-use of the ground-floor space for commercial use.
 - 1) Standards:
 - a) The interim residential land use development project provides places of interaction with small plazas and courtyards or cafe seating to help animate the street.
 - b) The exterior and interior design of the first floor is designed to be retail ready with an interior ground-floor height of at least 15 feet and oversized, storefront windows and doorways accommodated on the ground-floor facing the public right-of-way. The interior depth of the ground floor units must be a minimum of 25 feet or 25% of the building depth, whichever is greater, measured with a straight-line from the exterior of the storefront/residential space to the interior wall at the rear of the space at the narrowest portion. Non-load bearing partition walls between measurement points are permitted within this space.
 - c) Place shared amenities such as workout rooms, game rooms, and other social facilities where they will be visible from street view on the ground-floor.
 - d) The building standards applied to the ground-floor space must adhere to the most restrictive use and occupancy classification anticipated based on the purpose or purposes for which they are or may be used; and shall comply with the rating that reflects multiple occupancy groups so that an area, room, or space may be occupied at different times with different uses.

2) Guidelines:

- a) Street facing appearance. Design the street-facing façade to orient towards the public street, or private street if lot does not abut a public street. Use the highest quality and most durable materials and decorative elements at the base of buildings, because those can be most impacted by landscaping, people, and automobiles.
- b) Architectural style. Design projects with a consistent design integrity on all sides of buildings, exhibited by all building components including, but not limited to, building mass and articulation, roof forms and materials, windows (proportion and design), building materials, facade details (doors and entrances), fencing, and landscaping. Use building materials of similar durability and quality throughout the project.
- c) Building materials Use building materials that convey a sense of durability and permanence to help facilitate commercial transitions and non-residential use of ground-floor space. Use high quality materials that will last for the life of the building. Install materials so that building facades do not stain or deteriorate quickly.

SECTION 2. Clerical Tasks.

The City Clerk be hereby authorized and directed to change any chapter numbers, article numbers, section and page numbers in the event that the adoption of this Specific Plan amendment reveals that there is a conflict, in order to avoid confusion and possible accidental repeal of existing provisions.

EXHIBIT “D”

SECOND ADDENDUM TO THE FINAL CERTIFIED ESCONDIDO GENERAL PLAN UPDATE, DOWNTOWN SPECIFIC PLAN UPDATE, AND CLIMATE ACTION PLAN ENVIRONMENTAL IMPACT REPORT (SCH #2010071064) TO AMEND THE DOWNTOWN SPECIFIC PLAN TO ADDRESS THE GROUND FLOOR RETAIL REQUIREMENT

EXECUTIVE SUMMARY

Purpose and Background

This Second Addendum (“Addendum”) to the 2012 Final Escondido General Plan Update, Downtown Specific Plan Update, and Climate Action Plan Environmental Impact Report (“Final EIR”) has been prepared by the City of Escondido (“City”) in conformance with the California Environmental Quality Act (Public Resources Code section 21000 et seq.) (“CEQA”), the regulations promulgated thereunder (14 California Code of Regulations section 15000 et seq.) (“CEQA Guidelines”), and the City’s Environmental Review Guidelines (Article 47 of the Escondido Zoning Code) to address minor technical changes to the Downtown Specific Plan. The changes consist of the following:

1. A proposed amendment to the Downtown Specific Plan to change zoning regulations to require ground-floor commercial uses only at key locations or preference areas based on context or planning objectives rather than as a blanket requirement to ensure future projects are feasible and the desired community character is preserved. The Project consists of a map amendment to Figure II-4 of the Downtown Specific Plan to eliminate the ground-floor retail requirement in areas where standalone residential uses would not be detrimental to the surrounding commercial districts and goals of the Downtown Specific Plan.

The purpose of this Addendum is to provide updated information to the previously-certified Final EIR. Aside from the update of Figure II-4 of the Downtown Specific Plan, and ancillary text amendments for reference in support, there are no substantial changes in the Downtown Specific Plan. Section 15164(a) of the CEQA Guidelines states that “[t]he lead agency or a responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.” Section 15162 of the CEQA Guidelines provides that a subsequent EIR is required when (1) substantial changes are proposed in the project or circumstances that will require major revisions of the prior EIR due to new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or (2) new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the prior EIR was certified, shows that (a) the project will have one or more significant effects not discussed in the prior EIR, (b) significant effects previously examined will be substantially more severe than shown in the

prior EIR, (c) mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project but the project proponents decline to adopt the mitigation measure or alternative, or (d) mitigation measures or alternatives that are considerably different from those analyzed in the prior EIR would substantially reduce one or more significant effects on the environment but the project proponents decline to adopt the mitigation measure or alternative.

As discussed in the following sections, the new information and minor technical modifications are not considered “significant” pursuant to CEQA. Specifically, the Addendum to the Final EIR finds that the impacts resulting from implementation of the 2012 General Plan Update and the Climate Action Plan as described in the previous Final EIR, as well as the Downtown Specific Plan Update, remain the same, aside from the Project’s proposed modification, and the mitigation measures would remain unchanged and are still valid and enforceable. No considerably different mitigation measures or feasible alternatives have been identified. The Addendum to the Final EIR finds that the previously identified impacts and mitigation measures, as described in the Final EIR, are still applicable to the updated Downtown Specific Plan. Therefore, the Final EIR, as certified, remains adequate and complete. The proposed Specific Plan Amendment to address the ground-floor retail requirement may, therefore, be approved as an activity covered within the scope of the Final EIR.

All other environmental analysis sections are not contained herein because the original Final EIR for those environmental areas are still applicable and do not require updated information. CEQA does not require that the original Final EIR be circulated with the Addendum, but the original Final EIR is available for public review from the City of Escondido upon request. Therefore, please refer to the original Final EIR for other environmental topics not contained in this Addendum.

1.0 Introduction

This section provides information related to CEQA and the revised analysis to the Final EIR, as it relates to the updated Downtown Specific Plan to address the ground floor retail requirement. This section discusses the original Final EIR (SCH #2010071064), which was certified in 2012. This section provides background information on the need to provide updated information to the original analysis in reference to the Downtown Specific Plan Amendment.

1.1 Project Description:

First approved by the City Council in the 1980s, the Downtown Specific Plan has been amended over the years in response to a particular community interest or to accommodate new development. However, the specific plan’s primary purpose remains the same: to provide a comprehensive plan for land use, development regulations and incentives, design guidelines and strategies directed at facilitating a dynamic city center and downtown environment.

The Downtown Specific Plan currently encompasses approximately 475 acres extending from I-15 and West Valley Parkway to Fig Street, between Washington and Fifth Avenues including the urban core along Grand Avenue. In 2012, there were approximately 1,200 dwelling units existing in the Downtown Specific Plan planning area. Since then, only 185 units have been constructed within the Downtown Specific Plan. Another 776 units have been approved but not yet constructed.

In 2013, an amendment to the Downtown Specific Plan (Planning Case no. PHG 13-0018) increased the boundaries of the planning area by adding approximately 58 acres by rezoning adjacent properties. The amendment also updated residential densities by increasing the maximum density permitted in some areas from 45 dwelling units to 75 or 100 dwelling units per acre. Among other things, the objectives of the Downtown Specific Plan Amendment were to create a development scheme that encourages economic development and vitality in a more urban environment. Overall, the 2013 Downtown Specific Plan Amendment maintained a buildout of 5,275 dwelling units in the downtown area for the planned horizon year of 2035 as previously analyzed in the certified Final EIR. As of this writing, there are 900 dwelling units approved, but not built. Another 222 dwelling units are still in the entitlement phase. The current remaining balance of available residential units within the Downtown Specific Plan is 3,764 units.

Given the City's built-out character, most of the goals and policies in the existing Downtown Specific Plan continue to represent the City's position on growth and development issues in the downtown area. The overall goals of the General Plan are to preserve and enhance the "downtown core" character of area. The Downtown Specific Plan includes a Land Use Map that identifies the types of uses and densities/intensities of use permitted within the area. Portions of the Downtown Specific Plan have nonresidential zones where residential densities are permitted or allowed. However, the zoning requires ground-floor uses in a storefront location limited to retail-serving or office uses only, and residential uses permitted only above or behind a primary use. It may be difficult, however, to market and develop a property with these blanket ground-floor commercial requirements because there is a finite economic market available to support providing additional commercial services. Mixed-use development thrives when it is focused in a compact area, not over lengthy corridors, as is currently mandated in the Downtown Specific Plan.

The Downtown Specific Plan area was established to encourage the downtown area to be a high-density, mixed-use urban center and a primary hub for business, services, entertainment, and urban residential activities. However, the Downtown Specific Plan area is currently a product of historical land use decisions and functions. Historically the downtown has served more as a retail and office destination. The locations for residential land uses is regulated by Figure II-4 of the Downtown Specific Plan. The map currently identifies four district locations for residential land uses: 1) No Residential Permitted; 2) Ground Floor Residential Allowed with Permit; 3) Residential Only: No Commercial Permitted; and 4) Ground Floor Retail or Office Required: Residential Allowed Above.

The Downtown Specific Plan policies and standards need to be updated to reflect new development priorities, changes in market trends, and a need to bring more housing to the area. One of the goals of the Downtown Specific Plan is to expand downtown properties toward a mix of different uses and encourage people to live in commercial areas. For a downtown to continue its recent success, and develop a wider range of business, services, and entertainment, a residential base is necessary. Because the ground-floor retail requirement on many properties has effectively delayed the turn-over recycling of properties and the build-out of dwelling units in the Downtown Specific Plan, the existing policy framework acts as a constraint to housing development. The City needs to amend the Downtown Specific Plan to require ground-floor commercial uses only at key locations or preference areas based on context or planning objectives rather than as a blanket requirement to ensure future projects are feasible and the desired community character is preserved. In order to effectively implement reductions in the areas that require ground-floor retail, Figure II-4 of the Downtown Specific Plan needs to be amended to show new locations where residential use may be permitted, and under what terms and limitations. Therefore, the Project consists of a map amendment to Figure II-4 of the Downtown Specific Plan to require ground-floor commercial uses only at key locations. Specific Plan text amendments are also proposed as ancillary, in reference of support of the map amendment.

1.1 California Environmental Quality Act:

CEQA requires that state and local government agencies consider the environmental consequences of projects over which they have discretionary authority before taking action on those projects (Public Resources Code sections 21000 et seq.). CEQA also requires that each public agency mitigate or avoid, wherever feasible, the significant environmental impacts of a project that it approves or implements. A significant impact is one that would lead to a substantial adverse change in the physical conditions of the environmental areas affected by the project.

An EIR is an informational document used in state, regional, and local planning and decision-making processes to meet the requirements of CEQA. The EIR for a proposed project must disclose environmental effects that cannot be avoided; growth-inducing effects; effects found not to be significant; and significant cumulative impacts of all past, present and reasonably anticipated future projects. In addition, an EIR must identify potential methods of avoiding or reducing effects (i.e., mitigation measures) and alternatives to the proposed project or program

1.2 Final EIR for the 2012 General Plan Update, Downtown Specific Plan Update, and Climate Action Plan:

The Final EIR addresses a full range of environmental issues associated with the 20-year planning horizon of the 2012 General Plan (2035). The Final EIR was certified on May 23, 2012, by the Escondido City Council (Resolution No. 2012-53.) A Mitigation Monitoring and Reporting Program (“MMRP”); Findings of Fact including significant and unavoidable air quality, biological resources, noise, vibration, housing, traffic, and utilities impacts; and a Statement of Overriding Considerations were also adopted at the same public hearing.

The Addendum constitutes the second addendum to the Final EIR. The first addendum to the Final EIR was prepared for the Downtown Specific Plan Density Transfer Program, which was adopted by City Council Resolution 2019-69 on May 1, 2019.

1.3 Lead Agency and Discretionary Approvals:

This Addendum documents the City's consideration of the potential environmental impacts resulting from the change in the project and explains the City's decision that a subsequent EIR is not required. The City of Escondido is the lead agency and has approval authority over the project and changes.

1.4 Documents Incorporated by Reference:

CEQA Guidelines section 1510 authorizes agencies to incorporate by reference other documents that provide relevant data and analysis into their environmental documents. The following documents are hereby incorporated by reference within this Addendum, and all of these documents are considered part of the Final EIR.

- Draft Environmental Impact Report – City of Escondido General Plan Update, Specific Plan Update, and Climate Action Plan, Draft Environmental Impact Report, State Clearinghouse #2010071064, prepared for the City of Escondido, by Atkins, dated January 10, 2012.
- Draft Environmental Impact Report – City of Escondido General Plan Update, Specific Plan Update, and Climate Action Plan, Draft Environmental Impact Report, State Clearinghouse #2010071064, prepared for the City of Escondido, by Atkins, dated April 23, 2012.
- An Addendum to the previously adopted EIR for 2012 General Plan Update, Downtown Specific Plan Update, and Climate Action Plan, prepared for the City of Escondido, by Harris & Associates, dated March 1, 2019.

1.5 Document Availability:

The Office of the City Clerk is the custodian of the administrative record for the Final EIR. The administrative record is available for public review during normal business hours.

1.6 CEQA Requirements for Use of an Addendum:

Section 15160 of the CEQA Guidelines explains that there are several mechanisms and variations in environmental documents that can be tailored to different situations and intended uses of environmental review. These variations, including Subsequent EIRs, Supplemental EIRs, and Addenda, are not exclusive. "Lead agencies may use other variations consistent with the guidelines to meet the needs of other circumstances." (CEQA Guidelines § 15160.)

Public Resources Code section 21166 sets the standard to determine whether another EIR should be prepared when an original EIR has been prepared. Section 21166 states:

When an environmental impact report has been prepared for a project pursuant to this division, no subsequent or supplemental environmental impact report shall be required by the lead agency or by any responsible agency, unless one or more of the following events occurs:

(a) Substantial changes are proposed in the project which will require major revisions of the environmental impact report.

(b) Substantial changes occur with respect to the circumstances under which the project is being undertaken which will require major revisions in the environmental impact report.

(c) New information, which was not known and could not have been known at the time the environmental impact report was certified as complete, becomes available.

Similarly, CEQA Guidelines section 15162 states:

(a) When an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

(1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken, which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:

(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

(b) If changes to a project or its circumstances occur or new information becomes available after adoption of a negative declaration, the lead agency shall prepare a subsequent EIR if required under subsection (a). Otherwise, the lead agency shall determine whether to prepare a subsequent negative declaration, an addendum, or no further documentation.

(c) Once a project has been approved, the lead agency's role in project approval is completed, unless further discretionary approval on that project is required. Information appearing after an approval does not require reopening that approval. If after the project is approved, any of the conditions described in subsection (a) occurs, a subsequent EIR or negative declaration shall only be prepared by the public agency which grants the next discretionary approval for the project, if any. In this situation no other Responsible Agency shall grant an approval for the project until the subsequent EIR has been certified or subsequent negative declaration adopted.

(d) A subsequent EIR or subsequent negative declaration shall be given the same notice and public review as required under Section 15087 or Section 15072. A subsequent EIR or negative declaration shall state where the previous document is available and can be reviewed.

Thus, CEQA Guidelines section 15162 clarifies that a subsequent EIR or supplemental EIR is only required when "substantial changes" occur to a project or the circumstances surrounding a project, or "new information" about a project implicates "new significant environmental effects" or a "substantial increase in the severity of previously significant effects." In evaluating whether these thresholds are met, the key is to determine if any circumstances have changed enough to justify repeating a substantial portion of the environmental documentation process. If conditions do not justify a new or supplemental EIR, but minor additional or technical changes are appropriate to keep the document current and useful, an agency may prepare an addendum. (CEQA Guidelines § 15164).

Specifically, CEQA Guidelines section 15164 states:

(a) The lead agency or a responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred

(b) An addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred.

(c) An addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration.

(d) The decision-making body shall consider the addendum with the final EIR or adopted negative declaration prior to making a decision on the project.

(e) A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's required findings on the project, or elsewhere in the record. The explanation must be supported by substantial evidence.

Here, the City has opted to prepare an Addendum to assess the minor modifications of the Project that have transpired since preparation of the Final EIR. This Addendum will document the character of any changes or additions to support the determination to prepare an Addendum. It will also provide an opportunity to evaluate all components of section 15162 to determine if the Final EIR still reflects the full scope of the environmental impact. Where appropriate, citations to the Final EIR will be made, and assumptions made in the Final EIR will be evaluated for continuing validity.

1.7 Summary of Analysis and Findings:

Based upon the supporting checklist responses (Section 2), other than the minor changes to the Project in reference to map changes and text changes, the environmental effects associated with the changes in the Project do not require additional analysis beyond the analysis previously prepared and distributed in the Final EIR.

Pursuant to CEQA Guidelines section 15164, the City of Escondido finds that only minor modifications are required and that none of the conditions described in Public Resources Code section 21166 or CEQA Guidelines section 15162 requiring preparation of a subsequent or supplemental EIR have occurred. More specifically, the City of Escondido has determined all of the following:

- There are no substantial changes to the Project that would require major revisions of the Final EIR due to new significant environmental effects or a substantial increase in the severity of impacts identified in the previous Final EIR.
- No substantial changes have occurred in the circumstances under which the project is being undertaken that will require major revisions of the Final EIR to disclose new significant environmental effects or that would result in a substantial increase in the severity of the impacts identified in the Final EIR.
- There is no new information of substantial importance, which was not known at the time that the previous Certified Final EIR for the proposed Project was circulated, indicating that:
 - The Project will not have one or more significant effects not previously discussed in the Certified Final EIR;
 - There are no impacts that were determined to be significant in the previous Certified Final EIR that would be substantially more severe.
 - There are no additional mitigation measures or alternatives to the project that would substantially reduce one or more of the significant effects identified in the previous Certified Final EIR; and
 - There are no additional mitigation measures or alternatives which were rejected that are considerably different from those analyzed in the previous Certified Final EIR that would substantially reduce any significant impact identified in the Certified Final EIR.

2.0 Environmental Analysis

This section of the Addendum analyzes the potential environmental effects associated with the implementation of the Specific Plan Amendment to address the ground-floor retail requirement as compared to the environmental analysis provided in the Final EIR. Each environmental topic is organized first to identify the impacts and significance level determinations previously identified in the Final EIR, second to identify the impacts of the Project and whether new or increased severity of significant impacts would occur, and third to evaluate whether the Project would result in substantial changes in the circumstances or new information not previously identified in the Final EIR. This section provides substantial evidence to support the findings and basis to prepare the Addendum, which is that the Project would not create substantial changes, or bring to light new information of substantial importance that was not previously examined in the Final EIR, that would trigger the preparation of a subsequent or supplemental EIR as set forth in CEQA Guidelines sections 15162 and 15163. As such, the Addendum is consistent with the provisions of CEQA Guidelines section 15164 because only minor changes and additions to the Final EIR are necessary to address the project.

2.1 Aesthetics:

The Final EIR previously identified the following impacts associated with aesthetics and determined the corresponding level of significance.

Issue 4.1-1 Scenic Vistas (Less than Significant)

Issue 4.1-2 Scenic Resources (Less than Significant)

Issue 4.1-3 Visual Character or Quality (Less than Significant)

Issue 4.1-4 Light or Glare (Less than Significant)

These less than significant impacts were addressed in Section 4.1, Aesthetics, of the Final EIR, on pages 4.1-1 through 4.1-50 under the headings noted above.

The project seeks to amend the Downtown Specific Plan Update, as it was described previously in the Final EIR. The Downtown Specific Plan Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed Downtown Specific Plan Update map and text changes. Those future projects would be subject to future environmental review, as required under CEQA, once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.1, Aesthetics, Issues 4.1-1, 4.1-2, 4.1-3, and 4.1-4 would result in less than significant impacts resulting from the implementation of the Escondido General Plan Update ("GP 2012 Update"), Downtown Specific Plan Update ("DSP Update"), and the Escondido Climate Action Plan ("E-CAP"). Implementation of the GP 2012 Update, DSP Update, and E-CAP would not obstruct existing views and resources by complying with existing regulations and the proposed GP 2012 Update and DSP Update policies. Implementation of the City's Grading and Erosion Ordinance and General Plan update policies in the Resource Conservation Element would protect views of ridgelines by requiring development to comply with grading design guidelines for development on all steep slopes, requiring slope analyses and visual analyses for development near skyline ridges, and prohibiting development on skyline ridges. Implementation of the GP 2012, DSP Update, and E-CAP, would have the potential to change the existing visual character or quality in some areas of the City, but not degrade it. Development consistent with the GP 2012 Update and DSP Update would be high quality development designed to be compatible with existing adjacent land uses. Additionally, there would not be substantial impacts in regards to lighting or glare, as all new development would be required to comply with the City's outdoor lighting ordinance. Also, the GP 2012 Update and DSP Update include policies that require new development, including development that would install reflective surfaces as part of the E-CAP implementation, to avoid light and glare impacts, including spillover light and incompatible glare. Therefore, impacts to Issues 4.1-1 through 4.1-4 would be less than significant. Based on the above discussion, the Project is not expected to result in new

or more severe impacts to aesthetics. Refer to the Final EIR for the original environmental analysis for aesthetics.

2.2 Agricultural Resources:

The Final EIR previously identified the following impacts associated with agricultural resources and determined the corresponding level of significance.

Issue 4.2-1 Conversion of Agricultural Resources (Less than Significant)

Issue 4.2-2 Land Use Conflicts (Less than Significant)

Issue 4.2-3 Indirect Conversion of Agricultural Resources

These less than significant impacts were addressed in Section 4.2, Agricultural Resources, of the Final EIR on pages 4.2-1 through 4.2-28 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.2, Agricultural Resources, Issues 4.2-1, 4.2-2, and 4.2-3 would result in less than significant impacts resulting from the implementation of the GP 2012 Update, DSP Update, and the E-CAP. Implementation of the GP 2012 Update would result in the potential direct conversion of 1,846 acres of agricultural resources. However, the GP 2012 update provides multiple policies within various elements that promote preservation and encourage agricultural uses within the City. The E-CAP provides reduction measures that encourage agricultural efficiencies. Additionally, zoning designations would be made consistent with the GP land use designations with the adoption of the GP 2012 Update and would not impact any land under an existing Williamson Act Contract. Implementation of the GP 2012 Update policies and smart growth planning strategies would reduce the potential for agricultural resources to be converted to non-agricultural uses. Therefore, impacts would be less than significant under Issues 4.2-1, 4.2-2, and 4.2-3.

2.3 Air Quality:

The Final EIR previously identified the following impacts associated with air quality and determined the corresponding level of significance.

Issue 4.3-1 Air Quality Plans (Less than Significant)

Issue 4.3-2 Air Quality Violations – Direct and Cumulative (Significant and Unavoidable)

Issue 4.3-3 Sensitive Receptors (Less than Significant with Mitigation)

Issue 4.3-4 Objectionable Odors (Less than Significant)

These issues were addressed in Section 4.3, Air Quality, of the Final EIR on pages 4.3-1 through 4.3-40 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.3, Air Quality, implementation of the GP 2012 Update, DSP Update, and the E-CAP is consistent with the SANDAG projections accounted for in the Regional Air Quality Strategy (RAQS) and the State Implementation Plan (SIP). Future development would be required to demonstrate compliance with the strategies and measures adopted as part of the RAQS and SIP during the City's environmental review process, as well as with the requirements of the City and/or the San Diego Pollution Control District (SDAPCD) to reduce emissions of particulate matter. Therefore, impacts would be less than significant under Issue 4.3-1.

Annual construction emissions and operational emissions associated with future development under the GP 2012 Update would result in significant emissions of volatile organic carbons (VOCs), particulate matter 10 (PM10), and PM2.5. Realistically, yearly construction emissions for all pollutants may be greater or lower depending on how development is implemented. Future development under the GP 2012 Update would be required to comply with CARB motor vehicle standards, SDAPCD regulations from stationary sources and architectural coatings, and the GP 2012 Update goals and policies. Additionally, the San Diego Air Basin (SDAB) is a nonattainment area for the state standards for ozone, PM10, and PM2.5. Therefore, with the implementation of

the GP 2012 Update, DSP Update, and E-CAP, there would be a cumulatively considerable impact for these pollutants. Mitigation measures Air-1 and Air-2 would be incorporated to mitigate these effects. While these measures and policies are intended to reduce impacts associated with air quality violations, these measures cannot guarantee that emissions would be reduced to a less than significant level. Therefore, even with the implementation of mitigation, impacts from construction and operation would remain significant and unavoidable under Issue 4.3-2.

Future development consistent with the GP 2012 Update, DSP Update, and E-CAP, would result in potentially significant emissions of diesel particulate matter (“DPM”) and toxic air contaminants (“TACs”). Land development projects are required to comply with AB 2588, SDAPCD RULE 1210, Toxic Air Contaminant Public Health Risks – Public Notification and Risk Reduction, and CARB standards for diesel engines. The GP 2012 Update Air Quality and Climate Protection Element requires future land uses to be sited according to CARB recommendations. However, CARB does not make specific recommendations for certain potential sources of TACS including waste transfer, industrial, medical, and research and development facilities. Incorporation of mitigation measures Air-3 and Air-4 would reduce potential impacts associated with exposure of sensitive receptors to TACs to less than significant under Issue 4.3-3.

While odor sources are present within the GP 2012 Update and DSP Update planning areas, compliance with SDAPCD Rule 51 and the GP Update 2012 would ensure that a substantial number of sensitive receptors would not be exposed to objectionable odors. Therefore, impacts would be less than significant under Issue 4.3-4.

2.4 Biological Resources:

The Final EIR previously identified the following impacts associated with biological resources and determined the corresponding level of significance.

Issue 4.4-1 Special Status Species – Cumulative (Significant and Unavoidable)

Issue 4.4-2 Riparian Habitat and Other Sensitive Natural Communities – Cumulative (Significant and Unavoidable)

Issue 4.4-3 Federally Protected Wetlands (Less than Significant)

Issue 4.4-4 Wildlife Movement Corridors – Cumulative (Significant and Unavoidable)

Issue 4.4-5 Local Policies and Ordinances (Less than Significant)

Issue 4.4-6 Habitat Conservation Plans and Natural Community Conservation Plans (Less than Significant)

These issues were addressed in Section 4.4, Biological Resources, of the Final EIR on pages 4.41 through 4.4-40 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.4, Biological Resources, implementation of the GP 2012 Update, DSP Update, and the E-CAP would have the potential to result in direct and indirect impacts to special status plant and wildlife species and their habitats, riparian habitats, sensitive communities, wildlife corridors, and native wildlife nursery sites. Existing federal and state regulations and land use agreements prohibit the take of sensitive species without permitting from wildlife and limit the amount of habitat that can be impacted by new development. The goals and policies of the GP 2012 Update included in the Resource Conservation Element, Community Health and Services Element, and Land Use and Community Form Element require projects with the potential to impact sensitive species to prepare a biological survey and mitigate any impacts that would occur. Appropriate mitigation is required to be determined through consultation with the wildlife agencies. Compliance with these goals and policies would lessen impacts from the GP 2012 Update, DSP Update, and the E-CAP under Issues 4.4-1, 4.4-2, and 4.4-4; however, a significant cumulative impact still exists for these issues. Adoption of the City's Multiple Habitat Conservation Program (MHCP) Subarea Plan would establish an implementation program to protect biological resources. Until the City has adopted this plan, these impacts would be cumulatively considerable.

Implementation of the GP 2012 Update, DSP Update, and the E-CAP would have the potential to result in impacts to federal wetlands from future development. However, future development that would potentially impact a wetland would be required to obtain permitting from federal and/or state regulations. Additionally, GP 2012 Update policies included in the Resource Conservation element would ensure impacts would be less than significant under Issue 4.4-3.

Future projects under the GP 2012 Update, DSP Update, and the E-CAP would be required to comply with all applicable sections of the City's Zoning Ordinance, existing regulations, preservation agreements, and applicable habitat conservation plans and Natural Community Conservation Plans ("NCCPs") as well as policies in the GP 2012 Update. Therefore, impacts associated with conflicts with local polices and ordinances and habitat conservation plans and NCCPs would be less than significant under Issues 4.4-5 and 4.4-6.

2.5 Cultural and Paleontological Resources:

The Final EIR previously identified the following impacts associated with cultural and paleontological resources and determined the corresponding level of significance.

Issue 4.5-1 Historical Resources (Less than Significant with Mitigation)

Issue 4.5-2 Archeological Resources (Less than Significant with Mitigation)

Issue 4.5-3 Paleontological Resources (Less than Significant)

Issue 4.5-4 Human Remains (Less than Significant)

These issues were addressed in Section 4.5, Cultural and Paleontological Resources, of the Final EIR on pages 4.5-1 through 4.5-48 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.5, Cultural and Paleontological Resources, implementation of the GP 2012 Update, DSP Update, and the E-CAP would have potentially significant impacts to historical and archeological resources. Future development projects would have the potential to result in substantial adverse changes to the significance of archeological and historical resources through demolition, destruction, alteration, or structural relocation as well as disturbance of an important archeological site that contains or has the potential to contain information important to history or prehistory. While existing City and County policies and regulations and the GP 2012 Update and DSP Update goals and policies are intended to protect historical and archeological resources, the incorporation of mitigation measures Cul-1, Cul-2, Cul-3, Cul-4, Cul-5, and Cul-6 are necessary to ensure the intended protections are achieved. Therefore, with the inclusion of mitigation, impacts would be less than significant under Issues 4.5-1 and 4.5-2.

Future development under the GP 2012 Update, DSP Update, and E-CAP would have the potential to damage or destroy paleontological resources in the underlying rock units due to construction-related and earth-disturbing actions. The plan areas range from no potential to

moderate potential for paleontological resources meaning it is possible for ground-disturbing activities to destroy fossil-bearing geologic formations. However, existing policies and regulations and the GP 2012 Update goals and policies (i.e. Goal 5 of the Resource Conservation Element and Policy 5.2) would protect unique paleontological resources. Therefore, impacts would be less than significant under Issue 4.5-3.

Implementation of the GP 2012 Update, DSP Update, and the E-CAP would have the potential to disturb human remains, including those located outside of formal cemeteries, due to ground disturbing activities from the development of land. However, compliance with existing federal and state policies and regulations (i.e. Health and Safety Code Section 7050.5 and Public Resources Code 5097.98) would reduce impacts associated with human remains to a level below significant under Issue 4.5-4.

2.6 Geology and Soils:

The Final EIR previously identified the following impacts associated with geology and soils and determined the corresponding level of significance.

Issue 4.6-1 Exposure to Seismic-Related Hazards (Less than Significant)

Issue 4.6-2 Soil Erosion or Topsoil Loss (Less than Significant)

Issue 4.6-3 Soil Stability (Less than Significant)

Issue 4.6-4 Expansive Soils (Less than Significant)

Issue 4.6-5 Wastewater Disposal Systems (Less than Significant)

These less than significant impacts were addressed in Section 4.6, Geology and Soils, of the Final EIR on pages 4.6-1 through 4.6-38 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.6, Geology and Soils, Issues 4.6-1, 4.6-2, 4.6-3, 4.6-4, and 4.6-5 would result in less than significant impacts on geology and soils with the

implementation of the GP 2012 Update, the DSP Update, and the E-CAP. The GP 2012 Update would designate land uses that would allow development to occur in areas with geologic hazards such as seismically-induced ground shaking, liquefaction, and landslides as well as impacts to topsoil, expansive soils, and wastewater disposal systems. Impacts from seismically induced fault rupture would not occur due to the lack of active fault traces in the area. Future development would be required to comply with all relevant federal and state regulations and building standards, including Seismic Design Categories E and F structural design requirements identified in the California Building Code (“CBC”) and the National Pollutant Discharge Elimination System (“NPDES”) to control erosion of unstable soils. The GP 2012 Update also includes multiple policies intended to reduce seismic hazards, soil erosion, landslides, expansive soils, and soils incapable of adequately supporting the use of septic tanks. Compliance with these regulations and policies would reduce potential impacts to less than significant under Issues 4.61 through 4.6-5.

2.7 Greenhouse Gas Emissions:

The Final EIR previously identified the following impacts associated with greenhouse gas emissions and determined the corresponding level of significance.

Issue 4.7-1 Compliance with AB 32 (Less than Significant)

Issue 4.7-2 Potential Effects of Global Climate Change on the Proposed General Plan Update (Less than Significant)

These less than significant impacts were addressed in Section 4.7, Greenhouse Gas Emissions, of the Final EIR on pages 4.7-1 through 4.7-30 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City’s zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.7, Greenhouse Gas Emissions, Issues 4.7-1 and 4.7-2 would result in less than significant impacts from the implementation of the GP 2012 Update, DSP Update, and the E-CAP. Implementation of the GP 2012 Update, DSP Update, and the ECAP would be in compliance with Assembly Bill (“AB”) 32, which sets reduction targets of statewide greenhouse gas (“GHG”) emissions to 1990 levels by 2020 or, as outlined in the AB 32 Scoping Plan, the functional equivalent of 15 percent below current (2005) levels. The GP 2012 Update

and E-CAP incorporates GHG-reducing policies and measures that would reduce the City's emissions by 21% from the 2020 emissions inventory. (The E-CAP was recently amended on March 10, 2021, and the new GHG reductions target is 52% by 2035.) Additionally, future development consistent with the policies of the GP Update 2012 and the reduction measures of the E-CAP, particularly those measures designed to conserve water and reduce energy, would work to reduce the effects of global climate change. Therefore, impacts would be less than significant under Issues 4.7-1 and 4.7-2.

2.8 Hazards and Hazardous Materials:

The Final EIR previously identified the following impacts associated with hazards and hazardous materials and determined the corresponding level of significance.

Issue 4.8-1 Transport, Use and Disposal of Hazardous Materials (Less than Significant)

Issue 4.8-2 Accidental Release of Hazardous Materials (Less than Significant)

Issue 4.8-3 Hazards to Schools (Less than Significant)

Issue 4.8-4 Existing Hazardous Materials Sites (Less than Significant)

Issue 4.8-5 Public Airports (Less than Significant)

Issue 4.8-6 Private Airports (Less than Significant)

Issue 4.8-7 Emergency Response and Evacuation Plans (Less than Significant)

Issue 4.8-8 Wildland Fires (Less than Significant)

These less than significant impacts were addressed in Section 4.8, Hazards and Hazardous Materials, of the Final EIR on pages 4.8-1 through 4.8-54 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.8, Hazards and Hazardous Materials, issues 4.8-1, 4.8-2, 4.8-3, 4.8-4, 4.8-5, 4.8-6, 4.8-7, and 4.8-8 would result in less than significant impacts with the implementation of the GP 2012 Update, DSP Update, and the E-CAP. Future businesses, operations, or facilities developed under the GP 2012 Update, DSP Update, and the E-CAP, would involve an increase in the transport, use, and disposal of hazardous waste as well as potential accidental releases of hazardous waste. Additionally, there is potential for hazardous emissions and hazardous materials handling by future development within one-quarter mile of an existing or proposed school as well as human habitation or occupation on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5. However, all future development allowable under the proposed land use designations identified in the GP 2012 Update would be required to comply with applicable federal, state, and local regulations related to hazardous materials and wastes. Therefore, impacts would be less than significant under Issues 4.8-1, 4.8-2, 4.8-3, and 4.8-4.

Future development with the implementation of the GP 2012 Update, DSP Update, and the ECAP would be predominantly low-density residential land uses or public land/open space within two miles of public or private airports. These land uses have low concentrations of persons, which would reduce the risk of safety hazards for people residing or working in the area. Therefore, significant impacts would not occur under Issues 4.8-5 and 4.8-6.

The GP 2012 Update, DSP Update, and E-CAP does not include measures that would impair emergency response or evacuation plans. However, it is possible that land uses and development implemented under these plans would require the updating of these emergency response plans. Compliance with existing regulations and continual updating of emergency response and evacuation plans would prevent implementation of the GP 2012 Update and DSP Update from impairing emergency response and evacuation plans. Impacts would be less than significant under Issue 4.8-7.

Implementation of the GP 2012 Update and DSP Update would result in land uses that allow residential, commercial, and industrial development in areas that are prone to wildfires due to a majority of the area being susceptible to wildland fires. However, compliance with existing regulations, including the Community Wildfire Protection Plan by the Escondido Fire Department, and implementation of the proposed General Plan Update policies within the Community Protection Element would reduce impacts to a level below significant under Issue 4.8-8.

2.9 Hydrology and Water Quality:

The Final EIR previously identified the following impacts associated with hydrology and water quality and determined the corresponding level of significance.

Issue 4.9-1 Water Quality Standards and Requirements (Less than Significant)

Issue 4.9-2 Groundwater Supplies and Recharge (Less than Significant)

Issue 4.9-3 Erosion or Siltation (Less than Significant)

Issue 4.9-4 Flooding (Less than Significant)

Issue 4.9-5 Exceed Capacity of Stormwater Systems (Less than Significant)

Issue 4.9-6 Housing within a 100-Year Flood Hazard Area (Less than Significant)

Issue 4.9-7 Impeding or Redirecting Flood Flows (Less than Significant)

Issue 4.9-8 Dam Inundation and Flood Hazards (Less than Significant)

Issue 4.9.9 Seiche, Tsunami and Mudflow Hazards (Less than Significant)

These less than significant impacts were addressed in Section 4.9, Hydrology and Water Quality, of the Final EIR on pages 4.9-1 through 4.9-48 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.9, Hydrology and Water Quality, Issues 4.9-1, 4.9-2, 4.9-3, 4.9-4, 4.9-5, 4.9-6, 4.9-7, 4.9-8, and 4.9-9 would result in less than significant impacts with the implementation of the GP 2012 Update, DSP Update, and the E-CAP. Construction and operation of future development under the GP 2012 Update and DSP Update would mandatorily comply with all applicable existing regulations including but not limited to the Clean Water Act, NPDES permit program, Porter-Cologne Water Quality Control Act, San Diego Basin Plan, City of Escondido water quality management plans, as well as policies proposed under the GP 2012 Update in the Resource Conservation Element, Community Protection Element, Mobility and Infrastructure Element, and Land Use Element. The plans would not utilize groundwater for any purpose and would, therefore, not deplete groundwater supplies. Further, the GP 2012 Update, DSP Updates, and measures identified in the E-CAP would not result in the placement of development in areas that would expose people to hazards associated with inundation by a tsunami, seiches, or mudflows. Therefore, impacts would be less than significant under Issues 4.9-1, 4.9-2, 4.9-3, 4.9-4, 4.9-5, 4.9-6, 4.9-7, 4.9-8, and 4.9-9.

2.10 Land Use:

The Final EIR previously identified the following impacts associated with land use and determined the corresponding level of significance.

Issue 5.10-1 Physical Division of an Established Community (Less than Significant)

Issue 5.10-2 Conflicts with Land Use Plans, Policies, and Regulations (Less than Significant)

Issue 5.10-3 Conflicts with HCPs or NCCPs (Less than Significant)

These less than significant impacts were addressed in Section 4.10, Land Use, of the Final EIR on pages 4.10-1 through 4.10-38 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.10, Land Use, Issues 4.10-1, 4.10-2, and 4.10-3 would result in less than significant impacts with the implementation of the GP 2012 Update, DSP Update, and the E-CAP. The GP 2012 Update and DSP Update do not propose any new roadways or other specific features that would physically divide an established community. Growth under the GP 2012 Update would be concentrated in 15 designated study areas and would not substantially change physical development patterns in established communities. Development standards in the GP 2012 Update would ensure that new development would not preclude future development as long as it is consistent with the proposed land use plan. The DSP Update would retain the development standards that ensure compatibility with the character and vision for the downtown area. The GP 2012 Update, DSP Update, and the E-CAP would not conflict with any HCPs or NCCPs and would comply with regulations set forth in the Resource Conservation Element in the GP 2012 Update. Therefore, impacts would be less than significant under Issues 4.10-1, 4.10-2, and 4.10-3.

2.11 Mineral Resources:

The Final EIR previously identified the following impacts associated with mineral resources and determined the corresponding level of significance.

Issue 4.11-1 Mineral Resource Availability (Less than Significant)

Issue 4.11-2 Mineral Resource Recovery Sites (Less than Significant)

These less than significant impacts were addressed in Section 4.11, Mineral Resources, of the Final EIR on pages 4.11-1 through 4.11-14 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.11, Mineral Resources, Issues 4.11-1 and 4.11-2 would result in less than significant impacts from the implementation of the GP 2012 Update, DSP Update, and the E-CAP. The existing GP 2012 Update, DSP Update, and E-CAP does not include any goals or policies specifically related to mineral resources or mineral resource extraction. However, if new mineral extraction facilities were to be approved, it would be required to comply with the goals and policies that apply to all development. The existing GP 2012 Update planning area is developed with land uses that limit the availability of mineral resources. Additionally, only a small portion of the planning area has been designated as containing known mineral resources of value. New development proposed near existing extraction facilities would be required to demonstrate compatibility with existing land uses as part of project approval. Therefore, impacts would be less than significant under Issue 4.11-1 and 4.11-2.

2.12 Noise:

The Final EIR previously identified the following impacts associated with noise and determined the corresponding level of significance.

Issue 4.12-1 Excessive Noise Levels (Less than Significant)

Issue 4.12-2 Excessive Groundborne Vibration (Significant and Unavoidable)

Issue 4.12-3 Permanent Increase in Ambient Noise Levels - Cumulative (Significant and Unavoidable)

Issue 4.12-4 Temporary Increase in Ambient Noise Levels (Less than Significant)

Issue 4.12-5 Excessive Noise Exposure from Airports (Less than Significant)

These issues were addressed in Section 4.12, Noise, of the Final EIR on pages 4.12-1 through 4.12-54 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.12, Noise, future development under the GP 2012 Update, DSP Update, and E-CAP would have the potential to expose noise-sensitive land uses (NSLU) and new commercial, office, and industrial land uses to excessive noise levels from existing roadway noise and noise related to existing commercial, industrial, and extractive land uses, and the Palomar Energy Center power plant. However, compliance with existing regulations such as the Noise Ordinance, and implementation of the GP 2012 Update's goals and policies, including Noise Policies 5.1 through 5.4 and the Noise Compatibility Guidelines, would reduce impacts under Issue 4.12-1 to less than significant.

Construction of new land uses under the GP 2012 Update, DSP Update, and E-CAP and placement of new development in close proximity to the SPRINTER rail line would have the potential to result in impacts associated with excessive groundborne vibration. This includes significant impacts related to groundborne noise during construction and potential damage to buildings that may be susceptible to vibration damage from construction equipment. The potential also exists for cumulative construction projects to result in combined construction impacts if occurring simultaneously or construction activities in close proximity to the

SPRINTER line. The GP 2012 Update Noise Policy 5.5 requires compliance with the Federal Transit Administration (FTA) vibration criteria for construction that would occur under these plans. However, additional mitigation is necessary to ensure proper setbacks are established. Mitigation measures Noi-1 and Noi-2 would be implemented to reduce direct and cumulative impacts associated with groundborne vibrations, but not to a less than significant level. Impacts would remain significant and unavoidable under Issue 4.12-2.

Future development and redevelopment consistent with the GP 2012 Update, DSP Update, and E-CAP would have the potential to substantially increase ambient noise levels above existing conditions as a result of increases in roadway noise and new operational noise sources. However,

implementation of the GP 2012 Update Noise Policy, including Noise Policy 5.6 which requires technical reports be prepared for future development that would have the potential to substantially increase ambient noise levels, the Incremental Noise Impact Standards by the FTA, and the City's Noise Ordinance would reduce direct impacts related to permanent increases in ambient noise to less than significant under Issue 4.12-3. However, land use development in accordance with these plans would still contribute to cumulative future regional noise increases associated with roadway traffic. Two mitigation measures were identified to fully reduce impacts to below a level of significance but the City determined that these measures were infeasible.

Future development under the GP 2012 Update, DSP Update, and E-CAP would have the potential to result in temporary increases in ambient noise levels due to construction of new land uses and infrastructure. However, existing City policies, the GP 2012 Update goals and Policies, and the City's Noise Ordinance would reduce impacts to less than significant under Issue 4.12-4. Future development under the GP 2012 Update, DSP Update, and E-CAP would not expose people residing or working in the GP 2012 Update area to excessive noise levels from a nearby public airport or private airstrip. Impacts would be less than significant under Issue 4.12-5.

5.13 Population and Housing

The Final EIR previously identified the following impacts associated with population and housing and determined the corresponding level of significance.

Issue 4.13-1 Population Growth (Less than Significant)

Issue 4.13-2 Displacement of Housing and People (Significant and Unavoidable)

These issues were addressed in Section 4.13, Population and Housing, of the Final EIR on pages 4.13-1 through 4.13-24 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.13, Population and Housing, implementation of the GP 2012 Update, DSP Update, and E-CAP would directly and indirectly induce population growth that is consistent with forecasted growth for these plan areas. The GP 2012 Update is a comprehensive plan to guide future growth and includes a framework for land use development,

as well as goals and policies to prevent unanticipated or inappropriate population growth in the GP and DSP area. Compliance with the GP 2012 Update policies and regulations would reduce impacts to less than significant under Issue 4.13-1.

Future development under the GP 2012 Update, DSP Update, and the E-CAP would result in the displacement of substantial number of existing housing and people, necessitating the construction of replacement housing elsewhere. The GP 2012 Update land uses would displace up to 142 existing residential dwelling units and the GP 2012 Update's proposed Mobility and Infrastructure Element would have the potential to displace up to 300 businesses and residences. Mitigation measure Pop-1 would be implemented to mitigate impacts related to the displacement of homes. Despite compliance with existing regulations, implementation of the proposed GP 2012 Update policies, and mitigation measures Pop-1, the project's direct impact would remain significant and unavoidable.

2.14 Public Services:

The Final EIR previously identified the following impacts associated with public services and determined the corresponding level of significance.

Issue 4.14-1 Fire Protection Services (Less than Significant)

Issue 4.14-2 Police Protection Services (Less than Significant)

Issue 4.14-3 School Services (Less than Significant)

Issue 4.14-4 Library Services (Less than Significant)

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.14, Public Services, Issues 4.14-1, 4.14-2, 4.14-2, 4.14-3 and 4.14-4 would result in less than significant impacts resulting from the implementation of the GP 2012 Update, DSP Update, and E-CAP. Implementation of the GP 2012 Update, DSP Update, and E-CAP would not increase the demand for fire protection, police protection, school services, and library services. Development consistent with the GP 2012 Update and DSP Update includes policies that help to minimize deterioration of fire and policy agency response times and school

and library services and environmental impacts related to the construction or expansion of additional facilities. Therefore, impacts would be less than significant under Issues 4.14-1, 4.14-2, 4.14-3 and 4.14-4.

2.15 Recreation

The Final EIR previously identified the following impacts associated with recreation and determined the corresponding level of significance.

Issue 4.15-1 Deterioration of Parks and Recreational Facilities (Less than Significant)

Issue 4.15-2 Construction of New Recreational Facilities (Less than Significant)

These less than significant impacts were addressed in Section 4.15, Recreation, of the Final EIR on pages 4.15-1 through 4.15-24 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.15, Recreation, Issues 4.14-1 and 4.14-2 would result in less than significant impacts resulting from implementing the GP 2012 Update, DSP Update, and E-CAP. As analyzed in the Final EIR, neighborhood and community parks are currently deficient in the City and implementation of the GP 2012 Update, DSP Update, and E-CAP would increase use of existing parks, thereby resulting in accelerated deterioration of recreational facilities. Additionally, the construction or expansion of recreational facilities to address the increased growth, may have an adverse effect on the environment. However, implementation of the proposed General Plan Update policies and Planning Principal and Guideline 1k(1) within the Downtown Specific Plan Update and E-Cap measures would reduce impacts to below a level of significance under Issues 4.14-1 and 4.14-2.

2.16 Transportation and Traffic:

The Final EIR previously identified the following impacts associated with transportation and traffic and determined the corresponding level of significance.

Issue 4.16-1 Traffic and LOS Standards (Significant and Unavoidable)

Issue 4.16-2 Air Traffic (Less than Significant)

Issue 4.16-3 Rural Road Safety (Less than Significant)

Issue 4.16-4 Emergency Access (Less than Significant)

Issue 4.16-5 Alternative Transportation (Less than Significant)

These issues were addressed in Section 4.16, Transportation and Traffic, of the Final EIR on pages 4.16-1 through 4.16-88 under the headings noted above.

As described in the Final EIR Section 4.16, Issues 4.16-2, 4.16-3, 4.16-4 and 4.16-5 would result in less than significant impacts and Issue 4.16-1 would result in significant and unavoidable impacts resulting from the implementation of the GP 2012 Update, DSP Update, and E-CAP. Implementation of the GP 2012 Update, DSP Update, and E-CAP would not result in changes to air traffic patterns, result in increased traffic on roadways with horizontal or vertical curves that are sharper than existing standards, or impair emergency access. In addition, implementation of policies in the DSP Update and E-CAP measures would create provisions for alternative modes of transportation, including multi-modal transit stations, bike lanes, bus stops, trails, and sidewalks. Therefore, impacts would be less than significant under Issues 4.16-2, 4.16-3, 4.16-4 and 4.16-5.

Implementation of the GP 2012 Update, DSP Update, and E-CAP would result in 14 deficient roadway segments and seven deficient intersections throughout the proposed project area resulting in a significant direct and cumulative impact. Implementation of the proposed GP 2012 Update and DSP Update policies and mitigation measures, in addition to compliance with applicable regulations, would reduce nine traffic impacts to a level below significant. However, 11 roadway segment and intersection impacts would remain above a level of significance because mitigation for these impacts has been determined to be infeasible by the City. Therefore, the proposed project would result in significant and unavoidable traffic and level of service (LOS) impacts under Issue 4.16-1.

5.17 Utilities and Service Systems:

The Final EIR previously identified the following impacts associated with utilities and service systems and determined the corresponding level of significance.

Issue 4.17-1 Wastewater Treatment Requirements (Less than Significant)

Issue 4.17-2 New Water or Wastewater Treatment Facilities (Less than Significant)

Issue 4.17-3 Sufficient Stormwater Drainage Facilities (Less than Significant)

Issue 4.17-4 Adequate Water Supplies (Significant and Unavoidable)

Issue 4.17-5 Adequate Wastewater Facilities (Less than Significant)

Issue 4.17-6 Sufficient Landfill Capacity (Significant and Unavoidable)

Issue 4.17-7 Solid Waste Regulations (Less than Significant)

Issue 4.17-8 Energy (Less than Significant)

These issues were addressed in Section 4.17, Utilities and Service Systems, of the Final EIR on pages 4.17-1 through 4.17-58 under the headings noted above.

The Project seeks to amend the DSP Update, as it was characterized previously with the Certified Final EIR. The DSP Update is a policy document and its adoption would not, in itself, produce environmental impacts. However, new land use development projects would implement the proposed DSP Update map and text changes. Those future projects would be subject to future environmental review, as required, under CEQA once sufficient information is available to complete such review. All future projects would be required to adhere to relevant development standards and design guidelines contained in the City's zoning ordinance. The potential impacts of any specific future residential development projects would be assessed at the time when the projects are actually proposed, and mitigation measures would be adopted as necessary, in conformance with CEQA.

As described in the Final EIR Section 4.17, Utilities and Service Systems, Issues 4.17-1, 4.17-2, 4.17-3, 4.17-5, 4.17-7, and 4.17-8 would result in less than significant impacts resulting from the implementation of the GP 2012 Update, DSP Update, and E-CAP. Issues 4.17-4 and 4.17-6 would result in significant and unavoidable impacts resulting from the implementation of the GP 2012 Update, DSP Update, and E-CAP. Implementation of the GP 2012 Update, DSP Update and E-CAP could result in the demand for wastewater treatment services to increase at a rate disproportionate to facility capabilities, which would result in a violation in wastewater treatment standards. However, compliance with existing regulations and implementation of the GP 2012 Update and E-CAP reduction measures would reduce this impact to below a level of significance. Similarly, the implementation of the GP 2012 Update, DSP Update, and E-CAP could have the potential to increase the demand requiring the construction of new or expanded water, wastewater, and stormwater facilities and increase the demand for wastewater treatment services. However, existing regulations and policies in the GP 2012 Update and E-CAP reduction measures would reduce impacts to these facilities and services to levels below significance. Similarly, implementation of the GP 2012 Update, DSP Update, and E-CAP would increase demand for energy, resulting in the need for new or expanded energy facilities to be constructed, which would have the potential to result in significant environmental effects. However, the construction of new energy facilities would be subject to CEQA and/or NEPA and impacts would be mitigated, to the extent feasible. Additionally, multiple GP 2012 Update and E-CAP policies exist that would reduce energy consumption and the need to build new energy facilities.

Therefore, impacts associated with energy would be less than significant under Issues 4.17-1, 4.17-2, 4.17-3, 4.17-5, 4.17-7, and 4.17-8.

Implementation of the GP 2012 Update, DSP Update, and E-CAP would result in significant and unavoidable impacts associated with adequate water supplies. Adequate water supply may not be available to serve the proposed project due to projections of water shortages during multiple dry water years by San Diego County Water Authority (“SDCWA”), Vallecitos Water District (“VWD”) and Rincon Del Diablo Water District (“RDD”). Cumulative projects would also result in a significant cumulative impact and the proposed project would contribute to a significant cumulative impact associated with adequate water supplies. Even with compliance with existing regulations, policies contained in the GP 2012 Update policies, E-CAP reduction measures, and mitigation measure Util-1, impacts would remain significant and unavoidable under Issue 4.17-4. Similarly, the 2012 GP Update, DSP Update, and E-CAP has the potential to be served by a landfill with insufficient capacity to accommodate the solid waste disposal needs of the project. Compliance with existing regulations and GP 2012 Update policies and E-CAP reduction measures would reduce impacts associated with sufficient landfill capacity, although not to below a level of significance. Mitigation measures have been identified to reduce impacts to a less than significant level; however, the City finds these measures to be infeasible because they do not meet the project objectives, would prohibit growth, and place undue burden on developers to create additional landfill capacity. Until additional solid waste disposal facilities are permitted and constructed within the San Diego region, the proposed project’s impact would remain significant and unavoidable. Therefore, the 2012 GP Update, DSP Update, and E-CAP would result in significant direct and cumulative impacts under Issue 4.17-6.

3.0 Findings

3.1 Rationale for Addendum:

The Addendum to the Final EIR finds that the impacts resulting from implementation of the 2012 GP Update, DSP Update, and E-CAP remain the same, aside from the Project’s proposed modification, and the mitigation measures would remain unchanged and are still valid and enforceable. No considerably different mitigation measures or feasible alternatives have been identified. The Addendum to finds that the previously identified impacts and mitigation measures, as described in the Final EIR, are still applicable to the DSP Update. Therefore, the Final EIR, as certified, remains adequate and complete. The Project can be approved as an activity covered within the scope of the Final EIR. No circumstances exist calling for the preparation of a subsequent or supplemental EIR pursuant to CEQA Guidelines sections 15162 and 15163.

3.2 Substantial Changes in Circumstances, New Information Showing Greater Significant Effects, or the Ability to Reduce Significant Effects in Previous EIR:

There are no substantial changes to the circumstances under which the proposed Project is undertaken that would require major revisions to the Final EIR. There is no new information of substantial importance that was not known or could not have been known at the time the Final

Project Name: Ground-Floor Retail Requirement Amendment
Planning Commission Meeting
Date: June 22, 2021

EIR was certified that shows the proposed Project would have significant effects not discussed previously; a substantial increase in severity of a previously identified significant impact; mitigation measures or alternatives previously found infeasible that would now be feasible and would substantially reduce one or more significant effects; or mitigation measures or alternatives that are considerably different from those analyzed in the Final EIR that would substantially reduce one or more significant effects on the environment. Environmental effects associated with the Project were evaluated in the Final EIR. The Project would not result in new or more severe impacts beyond those addressed in the Final EIR, and would not meet any other standards for requiring further environmental review under CEQA Guidelines sections 15162 and 15163. No further analysis is required.

PLANNING COMMISSION

Agenda Item No.: H.1
Date: June 22, 2021

PROJECT NUMBER / NAME: HOUSING AND COMMUNITY INVESTMENT STUDY (HCIS)

REQUEST: Receive and file the informational report and status update

LOCATION: CityWide

APN / APNS: N/A

GENERAL PLAN / ZONING: N/A

APPLICANT: Community Development
Department

PRIMARY REPRESENTATIVE:
Mike Strong, Director of Community
Development

DISCRETIONARY ACTIONS REQUESTED: N/A

PREVIOUS ACTIONS: Previous informational presentations to the Planning Commission as described in the staff report.

PROJECT PLANNER: Mike Strong, Director of Community Development

CEQA RECOMMENDATION: The informational presentation qualifies for exemptions pursuant to CEQA Guidelines section 15262 (Feasibility and Planning Studies) and section 15306 (Information Collection).

STAFF RECOMMENDATION: Receive and file

REQUESTED ACTION: None

CITY COUNCIL HEARING REQUIRED: YES NO

REPORT APPROVALS:

Mike Strong, Director of Community Development
 Adam Finestone, City Planner

A. BACKGROUND:

The City of Escondido (“City”) was awarded grant funding to develop three different housing plans/studies: 1) a Housing Element Update, 2) a Sector Feasibility Study, and 3) a specific plan for the East Valley Target Area. These three housing studies and plans will be linked together, through a common work program theme, called the Housing Community and Investment Study (“HCIS”). The HCIS is a coordination of related studies intended to identify a comprehensive vision for maintaining, preserving, and developing housing to address Escondido’s quality of life needs. Background Project material is provided on the City’s project website at <https://www.escondido.org/hcis.aspx>.

B. SUMMARY OF REQUEST:

Review and file the informational report and status update.

C. SUPPLEMENTAL DETAILS OF REQUEST:

During the course of the HCIS work program it is anticipated that the Planning Commission would continue to receive regular status updates about the plans and studies. An overview of the remaining project milestones and study session schedule is provided below. The “review meetings” schedule is reflected below, in Table 1.

Table 1: HCIS Planning Commission Review Schedule

Meeting No.	Topic Or Discussion Item Covered	Milestone or Target Date
1	General overview about the process	March 23, 2021
2	RHNA Overview	April 13, 2021
3	Draft 2021-2029 Housing Element Goals, Policies, and Programs Review	April 27, 2021
4	Sector Feasibility Study Overview	June 8, 2021
5	Anticipated changes to the draft Housing Element to address HCD review and other state law requirements	June 22, 2021
6	Draft East Valley Specific Plan Overview	July 13, 2021
7	Planning Commission public hearing and recommendation to the City Council to consider the Housing Element and Sector Feasibility Study	July 27, 2021
8	Draft EIR Overview	Summer 2021
9	Planning Commission public hearing and recommendation to City Council on the East Valley Specific Plan and adoption of the EIR.	Fall 2021

It is important to note that the Housing Element portion of the HCIS is being pulled from the overall Project timeline and is now scheduled to be considered by the Planning Commission on

July 27, 2021. The purpose of this change is because jurisdictions on eight-year planning cycles must adopt their Housing Elements no later than 120 days after the statutory deadline or will be required to revise their Housing Elements every four years. To remain on an eight-year planning cycle, the City of Escondido must adopt its Housing Element within 120 calendar days from April 15, 2021. If adopted after this date, Government Code section 65588(e)(4) requires the Housing Element to be revised every four years until adopting at least two consecutive revisions by the statutory deadline.

For more information on Housing Element adoption requirements, please visit HCD's website at:

https://hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375_final100413.pdf

D. PROJECT ANALYSIS:

The June 22, 2021, Planning Commission meeting consists of a review of the HCD's comment letter and other comments provided during the HCD review period. The June 22, 2021, PowerPoint presentation will be used to facilitate the discussion of this item.

A. Housing Element Law requires that the Department of Housing and Community Development ("HCD") review local housing elements for compliance with state law and report written findings to the local government. State law requires that draft Housing Element amendments be submitted to HCD for review at least 60 days prior to adoption. Escondido's draft 2021-2029 Housing Element was submitted to HCD on March 26, 2021. City staff and its consultant team had informal discussions with HCD staff on April 30, 2021. City staff and the consultant team clarified many questions by phone, but HCD also asked the City to submit topical revisions to HCD staff on May 11, 19, and 24, 2021 in an attempt to resolve all issues. HCD's formal review letter was received on May 25, 2021. In response to the informal discussions, and the outstanding items that remain, several revisions will be made to the draft 2021-2029 Housing Element. The City expects to submit the revised draft Housing Element to HCD within the next couple of days to confirm that the changes are adequate and meet the statutory requirements of law. The purpose of the June 22, 2021, meeting will be to review some of the changes resulting from the informal discussions with HCD and to address the outstanding issues reflected in the May 25, 2021, formal review letter. The following two sections highlight the outstanding issues.

1. Affirmatively Furthering Fair Housing (AB 686)

Pursuant to Assembly Bill (AB) 686 (2018), the Housing Element must include an analysis and determination of consistency with Affirmatively Furthering Fair Housing ("AFFH") requirements. AFFH means "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." (Government Code section 8899.50(a)(1).) These actions must, when taken together, address significant disparities in

housing needs and in access to opportunity, replace segregated living patterns with truly integrated and balanced living patterns, transform racially and ethnically concentrated areas of poverty into areas of opportunity, and foster and maintain compliance with civil rights and fair housing laws. To comply with these requirements, the implementation programs of the Housing Element must affirmatively further fair housing and must include an assessment of fair housing. Additionally, the inventory of sites suitable for housing development must be identified throughout the City in a manner that affirmatively furthers fair housing opportunities. For purposes of the 2021-2029 Housing Element residential sites inventory, this means that sites identified to accommodate the lower-income portion of the RHNA are not concentrated in low-resourced areas (e.g., lack of access to high performing schools, proximity to jobs, locations disproportionately exposed to pollution or other health impacts) or areas of segregation and concentrations of poverty. Sites identified to accommodate the lower income RHNA must be distributed throughout the community in a manner that affirmatively furthers fair housing.

2. Additional Requirements Related to the Inventory of Sites (AB 1397)

Since the 5th cycle Housing Element was adopted in 2012, the State Legislature has adopted several bills that strengthened requirements related to the Inventory of Sites. Among these, the most significant are AB 1397 (2017), which imposed several key new requirements. AB 1397 requires that, for each site included in the inventory, the City identify the realistic development potential for the site within the eight-year planning period. For non-vacant sites, the methodology used to identify realistic development potential must consider factors such as existing uses, past development trends, market conditions, and the availability of regulatory and/or other development incentives. Additionally, the non-vacant site's existing use is presumed to impede additional residential development, unless the Housing Element describes findings based on substantial evidence that the use will likely be discontinued during the planning period.

City staff and the consultant team are currently evaluating the rezone programs and sites inventory to ensure that it complies with AFFH Requirements. We are evaluating geographic distributions of identified capacity to determine how well it complies with AFFH requirements. If it is determined that the sites inventory results in an over-concentration of lower-income sites in areas of high segregation and poverty, the rezoning program will work to identify and prioritize areas for upzoning in areas of moderate, high, and highest resource.

B. Additional Requirements Related to the General Plan

AB 162 (2007), SB 1241 (2012), SB 99 (2019), AB 747 (2019), SB 1035 (2018), SB 379 (2015), and SB 1000 (2016) are all recent state laws that require cities and counties to make updates to other sections of the General Plan alongside the update to the Housing

Element. These laws place a particular emphasis on the Safety Element, with an expanded focus on planning for flooding, wildfires, and climate change impacts. The Safety Element is one of the eight state-mandated elements of the General Plan. The purpose of updating the Safety Element is to comply with recent state legislation and guidelines (such as AB 162, SB 1241, SB 99, AB 747, SB 1035, and SB 379) and to make sure that its adopted goals and policies are up-to-date and relevant. Technical amendments will be made to General Plan elements to achieve compliance with State, regional and local policies and guidelines. Additionally, SB 1000 expands requirements surrounding Environmental Justice. Many of these requirements are met through the existing Resource Conservation Element and Community Health and Services Element, but minor amendments may be necessary to ensure full compliance. It is anticipated that the technical amendments to these elements, and the Housing Element itself, would incorporate partial or full integration of the 2021 Climate Action Plan because that recently adopted work program addresses many relevant adaptation, social equity, and environmental justice measures.

E. FISCAL ANALYSIS:

The action before the Planning Commission is an overview of the next steps toward developing the HCIS work program in order for the HCIS to be considered by both the Planning Commission and City Council for action in late summer 2021. There is no fiscal impact associated with this overview. The cost associated with the preparation of the report is included within the Community Development Department budget.

HCD has supported the HCIS planning effort by awarding the City \$310,000 through an SB 2 Planning Grant, and \$500,000 through a Local Early Action Planning (“LEAP”) Grant Program. Preparing the draft Housing Element, Sector Feasibility Study, and East Valley Specific Plan, and facilitating additional public outreach of the HCIS will be covered by the existing Community Development Department budget, which was recently augmented to account for planning grant awards.

F. ENVIRONMENTAL STATUS:

The action before the Planning Commission is exempt from further California Environmental Quality Act (“CEQA”) review, as separate and independent bases, pursuant to CEQA Guidelines sections 15262 (Feasibility and Planning Studies) and 15306 (Information Collection). This organizational and administrative activity relates to the ongoing study related to one or more General Plan amendments or adopting a new specific plan for the East Valley planning area. The Planning Commission will provide direction as appropriate to facilitate additional public review of all aspects of the HCIS. The June 22, 2021, Agenda Report is for information purposes only, and does not commit the City to a course of action that could adversely impact the environment.

This instant activity only involves feasibility or planning studies for possible future actions that the City has not yet approved. Although the City has considered environmental factors in the context of carrying out this activity, no environmental document is necessary at this time. Public input

Project Name: HCIS
Planning Commission Meeting
Date: June 22, 2021

received and technical information prepared during the proposed process would be utilized in preparing a future environmental review document to support the HCIS work program. The City must prepare an environmental document prior to adopting the Housing Element Update and the East Valley Specific Plan portions of the HCIS.

G. PUBLIC INPUT:

The City is undertaking this public involvement process to help engage residents, businesses, and other community members in the development of three different housing studies and plans. On June 10, 2020, the City Council considered and endorsed a Public Participation Plan (“Outreach Plan”) and associated timeline to involve the community. Among other things, the proposed work plan and schedule proposes a series of meetings with the Planning Commission to discuss different aspects and components related to the HCIS. The Outreach Plan can be accessed through the link provided below:

<https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/EastValleySpecificPlan2020/HCISPPJune102020.pdf>.

The City has also developed a periodic review page that can be accessed online at the link below to help the public access key documents. Informational reports and data generated during the review will be available for the public to view online:

<https://www.escondido.org/hcis.aspx>.

H. CONCLUSION AND RECOMMENDATION:

Receive report and file.

ATTACHMENTS:

1 – HCD Comment Letter

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov

**ATTACHMENT 1**

May 25, 2021

Mike Strong, Director
Community Development Department
City of Escondido
201 North Broadway
Escondido, CA 92025

Dear Mike Strong:

RE: Review of Escondido's 6th Cycle (2021-2029) Draft Housing Element Update

Thank you for submitting the City of Escondido's (City) draft housing element received for review on March 26, 2021, along with revisions received on May 11, 19 and 24, 2021. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a telephone conversation on April 30, 2021 with you and Jessica Relucio from the City and the City's consultants Veronica Tam, Jamie Power, Aaron Barrall, and Dan Wery. In addition, HCD considered comments from the Building Industry Association (San Diego Office) pursuant to Government Code section 65585, subdivision (c).

The draft element addresses many statutory requirements; however, the following revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code):

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction (Gov. Code, § 65583, subd. (c)(10)(A))*

Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. (Gov. Code, § 65583, subd. (c)(5).)

Enforcement and Outreach: While the element includes some information on fair housing complaints (p. 115), it must also address how the City complies with existing fair housing laws and regulations.

Integration and Segregation: The element contains some data on integration and segregation and includes data highlighting specific patterns that have high segregation and incidences of poverty. The element also states that the City has two areas of poverty and racial segregation (p.120). However, the element needs to analyze these areas of high segregation for patterns, trends over time, local data and knowledge, and any other relevant information. The analysis should also include integration and segregation patterns and trends among persons with disabilities, income, and familial status. Overall, the analysis needs to review and discuss trends, patterns, local data and knowledge, other relevant factors, and summarize any identified issues.

Racial/Ethnic Areas of Concentration of Poverty: The element states that the City has one racially/ethnically concentrated area of poverty that overlaps with an area of high racial segregation (p.120). The element must analyze those areas for trends and patterns both at a regional and local level, include local data and knowledge and other relevant factors that contributed to the creation of areas of poverty and summarize any identified issues.

Access to Opportunity: The element includes data related to access to opportunity based on whether a census tract is considered a low, moderate, or high resourced area and if there is high segregation and poverty prevalent in the tract (p. 121.) However, the element must accompany that data with analysis of trends, patterns, local data and knowledge, other relevant factors, and summarize any identified issues.

Disproportionate Housing Needs and Displacement: While the element does include some data on overcrowded units, cost-burdened households, and substandard housing conditions (p. 116), it must also analyze the data for trends, patterns, and local data and knowledge. It should also analyze the data as part of determining which populations and areas may be at risk of displacement. Lastly, the analysis should summarize any identified issues.

Sites Inventory: The element must identify and analyze the number of units, location, and assumed affordability on identified sites relative to all components of the assessment of fair housing. Additionally, the City has identified a proportion of its lower-income Regional Housing Needs Allocation (RHNA) in the South Centre Specific plan, which based on the data provided, is a low resourced area with high segregation and poverty. The element should analyze this area along with other areas and conclude whether the identified sites improve or exacerbate fair housing conditions. Based on the outcome of this analysis, the City should include programs and actions to mitigate fair housing issues.

Contributing Factors: The element must identify and prioritize contributing factors to fair housing issues. Contributing factors create, contribute to, perpetuate, or increase the severity of fair housing issues and are fundamental to adequate goals and actions. Examples include community opposition to affordable housing, housing discrimination, land use and zoning laws, lack of regional cooperation, location and type or lack of affordable housing and lack of public or private investment in areas of opportunity or affordable housing choices.

Goals, Priorities, Metrics, and Milestones: The element must be revised to add or modify goals and actions based on the outcomes of analysis described above. Goals and actions must specifically respond to the analysis and identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have metrics and milestones as appropriate and must address housing mobility, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

2. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Government Code section 65584.09. (Gov. Code, § 65583, subd. (c)(1).)

Suitability of Nonvacant Sites: The element must include an analysis to demonstrate the potential for redevelopment. The analysis shall consider factors, including but not limited to the extent existing uses constitute an impediment, development trends and market conditions.

The element includes descriptions of the different typologies or uses on nonvacant sites based on each community area. It also includes some information on vacancies and demand for the existing use and mentions factors utilized to determine additional development potential. However, the element should include additional information and analysis to demonstrate redevelopment. For example, the element notes several factors were used to

identify the sites with the most potential for additional development in the planning period such as improvement to land value ratios, age of structures, and the number of units that could be added to a property. The element should list the actual values for each of the sites to better relate the overall analysis to the sites inventory. Further, the element mentions recent redevelopment and similar characteristics to identified sites but should also detail the characteristics of those trends or other information that support the various assumptions (e.g., age of structure, floor area, improvement to land value ratios) used to identify sites with additional development potential.

In addition, the element should clearly identify reliance on nonvacant sites to accommodate the housing need for lower-income households. If the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, as part of the resolution to adopt the housing element, the City must make findings based on substantial evidence pursuant to Government Code section 65583.2, subdivision (g)(2).

Small Sites: Sites larger than ten acres in size or smaller than a half-acre in size are deemed inadequate to accommodate housing for lower-income households unless it is demonstrated, with sufficient evidence, that sites are suitable to accommodate housing for lower-income households. While the element included a few examples about developments with lot consolidation (p.97), it must also provide specific examples with the densities, affordability and, if applicable, circumstances leading to consolidation. The element should relate these examples to the sites identified to accommodate the RHNA for lower-income households to demonstrate that these sites can adequately accommodate the City's lower-income housing need. Based on a complete analysis, the City should consider adding or revising programs to include incentives for facilitating development on small sites.

Electronic Sites Inventory: Pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance. Please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov.

Programs: As noted above, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites.

The element will meet the statutory requirements of State Housing Element Law once it has been revised to comply with the above requirements.

As a reminder, the City's 6th cycle housing element was due April 15, 2021. As of today, the City has not completed the housing element process for the 6th cycle. The City's 5th cycle housing element no longer satisfies statutory requirements. HCD encourages the City to make revisions to the element as described above, adopt, and submit to HCD to regain housing element compliance.

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of April 15, 2021 for San Diego Association of Governments (SANDAG) localities. If adopted after this date, Government Code section 65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit HCD's website at: http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375_final100413.pdf.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

Specifically, HCD understands the City made the element available to the public near the same time of submittal to HCD. The availability of the document to the public and opportunity for public comment prior to submittal to HCD is essential to the public process and HCD's review. The City must proactively make future revisions available to the public, including any commenters, and diligently consider and address comments, including making revisions to the document where appropriate. Consideration of comments should not be limited by HCD's findings in this review letter.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

HCD appreciates the hard work and responsiveness City staff Jessica Relucio, you, and the City's consultants Veronica Tam, Jamie Power, Aaron Barrall, and Dan Wery provided during the course of our review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Sohab Mehmood, of our staff, at Sohab.Mehmood@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink that reads "Shannan West". The signature is written in a cursive, flowing style.

Shannan West
Land Use & Planning Unit Chief